

Meeting Date: 7/15/2014

Report Type: Consent

Report ID: 2014-00538



Title: Agreements for Downtown Plaza Parking, Access, Construction, and Maintenance

Location: Downtown Plaza, District 4

Issue: On May 20, 2014, the City approved the definitive agreements for the Entertainment and Sports Center (ESC) project. There are, however, agreements that were recorded against the current plaza that were executed in 1992, which govern the parking, access, construction and maintenance for major interests located in the plaza, including Macy's. Those agreements are the Parking Operation and Maintenance Agreement, the Construction Operation and Maintenance Agreement and the Cross Easement Agreement. Those agreements now need to be amended and restated to account for the new ESC project in order to continue moving forward with the development of the ESC.

Recommendation: Pass a Motion authorizing the City Manager or his designee to execute the following: 1) an Amended and Restated Parking Operation and Maintenance Agreement with SG Downtown, LLC, Macy's West Stores, Inc., and Sacramento Downtown Arena, LLC; 2) an Amended and Restated Construction Operation and Maintenance Agreement with SG Downtown, LLC, Macy's West Stores, Inc., and Sacramento Downtown Arena, LLC; and 3) an Amended and Restated Cross Easement Agreement with SG Downtown, LLC, Macy's West Stores, Inc., and Sacramento Downtown Arena, LLC.

Contact: Desmond Parrington, Entertainment & Sports Center Project Manager, (916) 808-5044; John Dangberg, Assistant City Manager, Office of the City Manager, (916) 808-5704

Presenter: None

Department: City Manager

Division: Executive Office

Dept ID: 02001011

Attachments:

01-Description/Analysis

02-Background

03-Amended and Restated Cross-Easement Agreement

04-Amended and Restated Construction, Operation and Maintenance Agreement

05-Amended and Restated Parking Operation and Maintenance Agreement

City Attorney Review

Approved as to Form

Matthew Ruyak

7/10/2014 4:12:52 PM

Approvals/Acknowledgements

Department Director or Designee: Howard Chan - 7/10/2014 2:36:58 PM and email 07/11/2014 3:33 P.M.

James Sanchez, City Attorney

Shirley Concolino, City Clerk

Russell Fehr, City Treasurer

John F. Shirey, City Manager

Description/Analysis

Issue Detail: Staff is seeking Council approval of the following agreements that govern the parking, easements, and retail development in Downtown Plaza (also referred to in the agreements as "Sacramento Gardens"), including the plaza area surrounding the Entertainment Sports Center and Macy's. These agreements were last updated in the 1990s and need to be updated to reflect the Entertainment and Sports Center (ESC) project including the ancillary development. The parties to the agreements include the City, Macy's, SG Downtown LLC (owners of Downtown Plaza), and Sacramento Downtown Arena LLC ("ArenaCo"). These agreements are critical to ensuring that the plaza, retail, and parking are operated and maintained in a first-class manner and that they serve the needs and interests of all parties.

Policy Considerations: Approval of these agreements is necessary for the successful development of the new Downtown Plaza. They will also benefit the City's Entertainment and Sports Center project and ensure the development and maintenance of a special civic plaza.

Economic Impact: Not applicable.

Environmental Considerations: The proposed agreements are part of a project, the Entertainment and Sports Center (P13-065), for which the City Council has certified an environmental impact report and adopted a mitigation-monitoring program and findings of fact and a statement of overriding considerations. Copies of the final EIR and the draft EIR are available at the ESC website: www.cityofsacramento.org/arena as well as on the Community Development Department's webpage at: <http://portal.cityofsacramento.org/Community-Development/Planning/Environmental/Impact-Reports>.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: These agreements ensure the maintenance, operation and development of the Downtown Plaza. They also govern parking and access easements to ensure that all parties' interests are served through the development and operation of the new Downtown Plaza.

Financial Considerations: These agreements govern access easements and parking as well as plaza development and maintenance. These replace the current agreements that are currently in place. These agreements do not commit the City to further expenses beyond what was already approved by

City Council on May 20, 2014 for the Entertainment and Sports Center (ESC) project.

Emerging Small Business Development (ESBD): Not applicable.

Background

The following is a brief summary of each of the agreements:

- **Amended and Restated Cross-Easement Agreement (“CEA”)**: The parties to the CEA are SG Downtown LLC, Macy’s, ArenaCo, and the City. In essence, the CEA provides for the integrated use of the land in the project area by the granting of easements and covenants including those addressing utilities, pedestrians, parking, construction, support, stairways, elevators, etc. Additional provisions provide for insurance, force majeure events, discharge, attorney’s fees, notices, amendments, termination, miscellaneous, and definitions.
- **Amended/Restated Construction, Operation, and Maintenance Agreement (“COMA”)**: The parties to the COMA will be SG Downtown LLC, Macy’s, ArenaCo, and the City. The COMA sets forth provisions for the construction, operation, and maintenance of the retail improvements and the plaza area. The COMA includes provisions for the development of plans; construction of improvements; physical dimensions and operation of the stores; operation and maintenance of the plaza area and perimeter sidewalks; indemnity and insurance requirements; repair, maintenance, alterations, and restoration of the improvements; and covenants to operate the retail buildings. City largely only has rights under this agreement if it gains control of the arena.
- **Amended and Restated Parking Operations and Maintenance Agreement (“POMA”)**: The parties to the POMA are SG Downtown LLC, ArenaCo, Macy’s, and the City. This agreement provides detailed requirements for the operations of parking in the parking garages underlying Downtown Plaza. Macy’s relies on this document to ensure that its customers can obtain convenient, safe, and validated parking.

[BACK](#)

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Pircher, Nichols & Meeks
1925 Century Park East, Suite 1700
Los Angeles, California 90067-2512

Attn: Real Estate Notices (SAH)

(Space above for Recorder's use only)

AMENDED AND RESTATED CROSS-EASEMENT AGREEMENT

SACRAMENTO GARDENS
(Sacramento, California)

by and among

SG DOWNTOWN LLC,
a Delaware limited liability company
(**"Developer"**);

MACY'S WEST STORES, INC.,
an Ohio corporation
(**"Macy"**);

SACRAMENTO DOWNTOWN ARENA LLC,
a Delaware limited liability company
(**"Arena Co."**);

and

THE CITY OF SACRAMENTO,
a municipal corporation
of the State of California
(**"City"**)

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1 EASEMENTS.....	3
Section 1.1 Definitions and Conditions.....	3
Section 1.2 Easement: Pedestrian Access Over, Ingress to and Egress from Common Area and Incidental Uses of Common Area.....	6
Section 1.3 Easement: Public Pedestrian Access Through Plaza Area.....	6
Section 1.4 Easement: Automobile Parking Area and Incidental Uses	7
Section 1.5 Unauthorized Use and Prescriptive Rights	7
Section 1.6 Easement: Construction	7
Section 1.7 Easement: Existing and Future Encroachments Among Improvements on Developer, Arena Co. and Macy Tracts	8
Section 1.8 Easement: Existing and Future Encroachments, Common Footings and Foundations for Side-by-Side Improvements Among City, Developer, Macy and Arena Co. Tracts.....	9
Section 1.9 Covenant: Maintenance of Common Foundations.....	11
Section 1.10 Easement: Support of Developer Improvements and Other Blanket Easements in Favor of Developer.....	11
Section 1.11 Easement: Support of Garage K and Garage U and Other Blanket Easements in Favor of City	12
Section 1.12 Easement: Specific Developer and Arena Co. Easements in City Tract.....	13
Section 1.13 Easement: Specific City Easements in Developer Improvements.....	15
Section 1.14 Easement: Utilities.....	17
Section 1.15 Easement: Exterior and Accent Lights.....	18
Section 1.16 Intentionally Omitted.....	18
Section 1.17 Abandonment of Easements.....	18
Section 1.18 Prohibition Against Granting Easements	18
Section 1.19 Correction of Site Descriptions by Conveyance of Title or Grant of Easements	19

Section 1.20	Termination of Benefits	19
Section 1.21	Joinder in Necessary Dedications	19
Section 1.22	Limitation on Dedication and Taking	19
Section 1.23	Covenants and Easements Binding on Tracts and Running With the	
Land	19	
Section 1.24	Dominant and Servient Estates.....	19
ARTICLE 2 PUBLIC LIABILITY INSURANCE		20
Section 2.1	General Liability Insurance - Tracts.....	20
Section 2.2	Blanket Insurance and Self-Insurance.....	20
Section 2.3	General	20
ARTICLE 3 FORCE MAJEURE		21
ARTICLE 4 DISCHARGE		21
Section 4.1	Discharge on Transfer.....	21
Section 4.2	Discharge on Involuntary Transfer	21
Section 4.3	Discharge of Mortgagee.....	22
Section 4.4	No Waiver.....	22
ARTICLE 5 ATTORNEY FEES.....		22
Section 5.1	Prevailing Party	22
ARTICLE 6 NOTICES		22
Section 6.1	Notices to Parties.....	22
Section 6.2	Mortgagee Notice.....	24
ARTICLE 7 AMENDMENT		25
Section 7.1	Method and Effect of Amendment	25
Section 7.2	Third-Party Beneficiary	26
ARTICLE 8 TERMINATION OF AGREEMENT		26
Section 8.1	Termination.....	26

ARTICLE 9 MISCELLANEOUS	26
Section 9.1 Breach Shall Not Defeat Mortgage.....	26
Section 9.2 Breach Shall Not Permit Termination.....	26
Section 9.3 Captions.....	26
Section 9.4 Consent.....	27
Section 9.5 Joint Preparation.....	27
Section 9.6 Exercise of Approval Rights	27
Section 9.7 Governing Laws.....	27
Section 9.8 Injunctive Relief.....	28
Section 9.9 No Partnership.....	28
Section 9.10 Not a Public Dedication.....	28
Section 9.11 Payment on Default	28
Section 9.12 Severability	28
Section 9.13 Successors.....	29
Section 9.14 Time of Essence	29
Section 9.15 Waiver of Default.....	29
Section 9.16 Rights Cumulative.....	29
Section 9.17 Counterparts.....	29
Section 9.18 Estoppel Certificates.....	29
Section 9.19 After-Acquired Interests.....	29
ARTICLE 10 DEFINITIONS.....	30

AMENDED AND RESTATED CROSS-EASEMENT AGREEMENT

SACRAMENTO GARDENS (Sacramento, California)

THIS AMENDED AND RESTATED CROSS-EASEMENT AGREEMENT (“**Agreement**”) is made and entered into as of the ____ day of _____, 2014, by and between SG DOWNTOWN LLC, a Delaware limited liability company (“**Developer**”); MACY’S WEST STORES, INC., an Ohio corporation (“**Macy**”); SACRAMENTO DOWNTOWN ARENA LLC, a Delaware liability company (“**Arena Co.**”); and THE CITY OF SACRAMENTO, a municipal corporation of the State of California (“**City**”). Developer, Macy, Arena Co. and City are individually referred to as a “**Party**” and collectively as the “**Parties**”.

RECITALS:

A. As used in this Agreement, references to any “Recital,” “Article,” “Section” or “Exhibit” are to such portions of this Agreement, all of which together constitute the Agreement. All capitalized terms used herein are defined in these Recitals or Article 10.

B. DPA, L.P., a California limited partnership (“**DPA**”), Macy’s California, Inc. a Delaware corporation, debtor-in-possession (“**Former Macy**”), Carter Hawley Hale Buildings, Inc., a Delaware corporation (“**Weinstock’s**”), and City are parties to that certain Cross-Easement Agreement dated as of November 30, 1992 and recorded on October 15, 1993 in Book 93 1015, Page 2018 of the Official Records of Sacramento County, California (“**Prior CEA**”), which governed certain easements in, to, over and across the “Developer Tract,” the “City Tract,” the Macy Tract,” and the “Weinstock’s Tract” (as such terms are defined in the Prior CEA), in order to permit the integrated use of the “Sacramento Gardens” project, as that term is defined below, prior to the date of this Agreement.

C. DPA assigned all of DPA’s right, title and interest in, to and under the Prior CEA (among other agreements) to Downtown Plaza LLC, a Delaware limited liability company (“**DP**”) pursuant to the terms of that certain Assignment of Shopping Center Documents dated as of October 29, 1998, and DP assigned all of DP’s right, title and interest in and to the Prior CEA (among other documents) to Downtown Plaza Sacramento, LLC, a Delaware limited liability company (“**DPS**”) pursuant to that certain Assignment and Assumption of REAs dated as of August 14, 2012, and recorded on August 14, 2012 in Book 2012814, Page 1605 of the Official Records. Developer is the successor-in-interest to DPS following Developer’s acquisition of the ownership and possession of all of DPS’s property interests in Sacramento Gardens and thereby is the successor to any remaining DPA interest in the Prior CEA. Macy is the successor-in-interest to Former Macy. City acquired ownership and possession of the parcel previously occupied by Weinstock’s (the “**Prior Weinstock’s Tract**”) from State of California Public Employees’ Retirement System and Foster Associates’ successors-in-interest pursuant to an Modified Order for Prejudgment Possession of the Superior Court of the State of California, County of Sacramento, dated March 20, 2014 and anticipates acquiring fee title thereto, and thereby is the successor to any remaining Weinstocks interest in the Prior COMA. Simultaneously herewith, City has acquired ownership from Developer of a tract of land more particularly described or depicted on Exhibit A (Part 5) (the “**SG Tract**”), which SG Tract, the Weinstocks Tract and other property currently owned by City (underground parking that will be removed to accommodate the ESC) collectively constitute the Arena Co. Tract. Arena Co. licenses, occupies and shall lease from

City the Arena Co. Tract pursuant to the terms and conditions of that certain Arena Management, Operations, and Lease Agreement, dated as of May 20 2014 (the “**Arena Lease Agreement**”), for the operation and management of an Entertainment and Sports Center (“**ESC**”), and with City's consent and for the purposes hereof is acting as Weinstocks' successor-in-interest hereunder.

D. Developer owns those certain tracts of land described in Exhibit A (Parts 1A and 1B) and ground leases from the City that certain tract of land (the “Developer Ground Lease Tract”) described in Exhibit A (Part 1C), each of which is located in the County of Sacramento, State of California, and shown on Exhibit B. The real property described in Exhibit A (Parts 1A and 1C) is hereinafter collectively referred to as the “**Developer Tract**” and constitutes all of the real property on which the Developer Retail Improvements (as defined in the COMA) are located. The real property described in Exhibit A (Part 1B) is hereinafter referred to as the “**Developer Adjacent Property**”, is located immediately adjacent to but does not comprise a portion of the Developer Tract and constitutes all of the real property on which the Developer Non-Retail Improvements (as defined in the COMA) are located. The Developer Tract and the Developer Adjacent Property shall be referred to herein, collectively, as the “**Developer Project Tract.**”

E. The improvements in existence as of the date of this Agreement on the Developer Tract and the Developer Adjacent Property (the “**Developer Existing Improvements**”) are shown on a separate sheet of Exhibit B.

F. Developer intends to (a) demolish certain of the Developer Existing Improvements, (b) construct and/or remodel and, from and after the Grand Opening Date (as defined in the COMA), operate the Developer Retail Buildings on the Developer Tract and (c) remodel and, from and after the Grand Opening Date, operate the Plaza Area, in all cases described in the foregoing (a), (b) and (c), as more particularly set forth in the COMA (the “**Redevelopment**”). Developer or its successor also intends to construct the Developer Non-Retail Improvements on the Developer Adjacent Property, also as more particularly set forth in the COMA.

G. Macy owns that certain tract of land located in the County of Sacramento, State of California, described in Exhibit A (Part 2), shown on Exhibit B and hereinafter referred to as the “**Macy Tract.**”

H. Macy is currently doing business in the Macy building (the “**Macy Building**”) located on the Macy Tract at the location shown on Exhibit B.

I. City owns that certain tract of land located in the County of Sacramento, State of California, described in Exhibit A (Part 3), shown on Exhibit B and hereinafter referred to as the “**City Tract,**” and which is comprised of “Garage G,” “Garage K” and “Garage U,” as those terms are defined herein (it being acknowledged that, as used herein, the term “City Tract” is different from the “City Tract” in the Prior CEA since there are no longer any Garages under the Building on the Arena Co. Tract). City also owns that certain sliver of land (the “Sliver”) adjacent to J Street and shown on Exhibit B. It is contemplated that the Sliver will be conveyed to Developer within approximately six (6) months from the date of this Agreement. Upon such conveyance, the Sliver shall become part of the Developer Project Tract.

J. Arena Co. occupies and leases from City, pursuant to the terms and conditions of the Arena Lease Agreement, that certain tract of land located in the County of Sacramento, State of California, described in Exhibit A (Part 4), shown on Exhibit B and hereinafter referred to as the “**Arena Co. Tract**”.

K. In connection with the Redevelopment, (i) Developer, Macy and Arena Co. have entered into that certain Amended and Restated Construction, Operation and Maintenance Agreement of even date herewith (the “**COMA**”) by which such parties have made certain covenants and agreements relating to the construction, maintenance and operation of their respective improvements and the Plaza Area; and (ii) Developer, Macy, Arena Co. and City have entered into that certain Amended and Restated Parking Operation and Maintenance Agreement of even date herewith (the “**POMA**”) by which such parties have made certain covenants and agreements relating to the operation and maintenance of the Garages.

L. Developer, City, Macy and Arena Co. desire to integrate the uses of their Tracts, and to integrate the use of their Buildings and Garages, as applicable, so as to create a mixed-use project hereinafter referred to as the “**Project**” or “**Sacramento Gardens**”.

M. Developer, City, Macy and Arena Co. each desire to modify and supersede the Prior CEA and grant certain easements in, to, over and across the Developer Project Tract, City Tract, Macy Tract and Arena Co. Tract, respectively, to permit the integrated use of the Project.

NOW, THEREFORE, with reference to the foregoing recitals, and in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

Effective as of the date of recording of this Agreement, the easements contained in the Prior CEA are hereby terminated in their entirety (inclusive of any easements on any of the Tracts that preceded the Prior CEA and that were granted by a party to the Prior CEA to a party to the Prior CEA) and are entirely superseded by the provisions hereof and the Tracts of the Parties are hereby released from the grants of easement in the Prior CEA. Effective as of the date this Agreement is recorded, the Prior CEA shall be deemed to have been terminated in its entirety (inclusive of all easements and all covenants thereunder) and shall be of no further force or effect. From and after the date of recording of this Agreement, the herein-contained grants of easements, covenants and agreements of the Parties shall relate to the Tracts of such Parties as the same are described in Exhibit A. This Agreement shall not be effective until it has been executed, acknowledged and delivered by Developer, Macy, Arena Co. and City, and until it has been recorded in the Official Records.

ARTICLE 1

EASEMENTS

Section 1.1 Definitions and Conditions. In this Agreement (including, without limitation, this Article 1), the Parties grant to each other, jointly and severally, certain easements, subject to specified terms and conditions. As used in this Agreement, the following definitions, terms and conditions shall apply for the term of the subject easement. Additional definitions are set forth in Article 10 hereof.

A. **“Grantor”** is the Party granting an easement in this Agreement and owning or leasing the Tract or portion thereof which is the servient tenement and thus is burdened with the easement. An easement granted in this Article 1 shall bind the Party only with respect to the Party’s interest in its Tract. Any reference in this Agreement to Developer, Macy, Arena Co. or City (as Grantor, Grantee or otherwise) shall be deemed a reference to the Party (or Parties) with respect to the Developer Project Tract, Macy Tract, the Arena Co. Tract, or the City Tract, as the case may be. (The “Grantor” as to the Arena Co. Tract shall be Arena Co. until City succeeds to the rights and obligations of Arena Co. as to the Arena Co. Tract pursuant to the applicable provision in the definition of “Party”, at which time City shall be the “Grantor” as to the Arena Co. Tract. City joins in such grant by Arena Co., as more fully set forth in the applicable provision in the definition of “Party”.)

B. **“Grantee”** is the Party owning or leasing the Tract, or portion thereof, that is the dominant tenement and thus is benefited by the easement. (The “Grantee” as to the Arena Co. Tract shall be Arena Co. until City succeeds to the rights and obligations of Arena Co. as to the Arena Co. Tract pursuant to the applicable provision in the definition of “Party”, at which time City shall be the “Grantee” as to the Arena Co. Tract.) An easement granted in this Article 1 shall benefit only the dominant tenement and the Grantee with respect to its interest therein, except the Grantee may permit its Permittees from time to time to use such easement, provided such permission shall in no way authorize use of the easement in excess of that set forth in this Agreement.

C. The word “in” with respect to an easement granted “in” a particular Tract means, as the context may require, “in,” “to,” “into,” “on,” “over,” “through,” “upon” and “under.” The word “support” with respect to an easement granted hereunder means, as the context may require, lateral, adjacent and subjacent support (inclusive, in the case of subjacent support only, of load-bearing support and structural anchorage or connection of any type).

D. **“Separate Utility Line”** shall mean a utility facility that exclusively serves a Building, including, without limitation, any of the following: any system for storm drain, sanitary sewer, domestic water, natural gas, electrical power, fire protection water, telephone, cable television, heating, ventilating and/or air conditioning. Any temporary loss of service of any Separate Utility Line serving the Macy Building during initial construction of the Project shall be coordinated with Macy.

E. **“Common Utility Line”** shall mean a utility facility that serves the Common Area or the Buildings of more than one Party, including, without limitation, any of the following: any system for storm sewer, sanitary sewer, domestic water, natural gas, electrical power, fire protection water, telephone, cable television, heating, ventilating and/or air conditioning.

F. All easements granted hereunder shall exist by virtue of this Agreement, without the necessity of confirmation by any other document. Likewise, upon the termination of any easement (in whole or in part) pursuant to the terms of this Agreement, the same shall be deemed to have been terminated without the necessity of confirmation by any other document. However, on the request of any other Party, each Party shall execute and acknowledge a document memorializing the continued existence (including the location and any conditions thereon) or the termination (in whole or in part) of any easement, provided each Party reasonably approves the form and substance of such document.

G. Notwithstanding anything to the contrary herein, no grant of easement pursuant to this Article 1 shall (a) impose any greater obligation to restore any portion of the Project than is contained in the COMA or the POMA, or (b) prohibit any Grantor from demolishing its improvements after such time as it is obligated to restore the same under the COMA or the POMA. Each Party hereto covenants and agrees that it will at all times maintain in good condition and repair (which obligation shall not include restoration following a casualty or condemnation), and at its sole cost and expense, all improvements located within such Party's Tract which are owned by it and which are necessary for the enjoyment of any of the easements granted by such Party in this Agreement, but not the facilities within such easements. In the event of any alteration, removal or replacement of any such improvements by such Party, to the extent feasible, at all times during such alteration, removal or replacement, and at all times thereafter during which such improvements are subject to an easement by the terms of this Agreement, such Party shall provide improvements serving substantially the same functions to substantially the same extent with respect to the dominant tenement, as the improvement altered, removed or replaced served before such alteration, removal or replacement, and any improvements so provided shall be subject to the same easements and the same covenants as the improvements first to be erected were subject before such alteration, removal or replacement. In addition, as respects the easements described in Sections 1.4, 1.10, 1.12(iii), 1.12(iv), 1.13(i) and 1.13(ii), if the improvements subject to such easements are so poorly maintained or in need of repair so as to fail or be in danger of failing to serve the function of such easement, the Grantor of such easement, upon written notice from the Grantee of such easement of the need to maintain, repair, reconstruct or replace such improvements, shall promptly undertake such work and diligently prosecute the same to completion. If the Grantor shall fail to commence such work within ninety (90) days (or such shorter period as may be reasonable in event of emergency) after such notice, and subject to Mortgagee's rights in Section 6.2 below, Grantee may elect to perform such work and Grantor shall reimburse Grantee on demand for the costs of such maintenance, repair, reconstruction or replacement. In addition, each Grantee shall have the right, and each Grantor grants a license to its Grantee, to enter upon Grantor's Tract after thirty (30) days' prior written notice to Grantor for the purpose of performing such repair, maintenance, reconstruction or replacement as is necessary to prevent Grantor's property subject to such easement from becoming or remaining unsafe for its intended use or uses or to prevent Grantee's operation, use or enjoyment of the said property from being interfered with by acts of government based upon or arising out of claims by any governmental authority that such repair, maintenance, reconstruction or replacement is necessary, unless, within such thirty (30) day period, Grantor commences such work and thereafter diligently prosecutes the same to completion. The Parties acknowledge and agree that this Paragraph G and this Agreement shall be construed so as not to prevent the contemplated demolition of improvements existing as of the date hereof located on the Tracts in connection with the construction of the Project, as contemplated by the COMA.

H. In its sole and absolute discretion, Grantee shall elect whether to exercise its right to use any easement granted to it. With respect to the easements granted in Sections 1.6, 1.7 and 1.8 for future installations, prior to Grantee's entry onto Grantor's Tract in exercise of its easement rights, Grantee shall first obtain Grantor's written consent to Grantee's proposed location, methods and schedule for such exercise. Should Grantee elect to exercise any easement right hereunder, Grantee covenants to use the easement with due care so as not to damage, injure or disturb any Person, Party's Tract or any Party's operation of its improvements (including Buildings, the Garages, and the Plaza Area); further, Grantee covenants to maintain, repair, operate and restore, at Grantee's sole cost and expense, any facilities and improvements Grantee shall have installed in Grantor's Tract in exercising such easement; provided, however, Grantee may elect at any time to discontinue its use of such

easement, in which event Grantee shall remove or abandon all facilities and improvements previously installed in connection with such use and thereafter shall be released from all further duties whatsoever with respect thereto. Prior to performing any maintenance, repair or replacement work on any equipment, facility, system or improvements located in Grantor's Tract, the Grantee with respect to an easement for such equipment, facility, system or improvement shall, except in the case of emergency, provide Grantor reasonable prior notice of Grantee's intention to perform such work. In addition, Grantee shall reasonably coordinate such work with other uses of Grantor's Tract as may be reasonably requested by Grantor and such work shall be performed in accordance with a standard of care appropriate for the subject work.

I. Grantee shall Indemnify Grantor in connection with Grantee's exercise of any of its easement rights, and shall repair or restore at Grantee's sole cost and expense the servient tenement in connection with Grantee's exercise of any of its easement rights, including, but not limited to, Grantee's right to repair, maintain, operate or restore any of Grantee's facilities or improvements installed in Grantor's Tract pursuant to an easement granted under this Agreement. Without limiting the foregoing, Grantee shall repair or restore, to such condition as existed prior to Grantee's exercise of such rights, all portions of the surface area of the servient tenement that Grantee or its agent may have excavated, damaged or otherwise disturbed in exercising its easement rights and any and all damage caused by Grantee, its employees, agents or contractors in the performance of maintenance, repair or replacement work on Grantee's improvements or facilities installed in Grantor's Tract pursuant to an easement granted under this Agreement.

J. So long as City is the fee owner of the Arena Co. Tract, City shall have the right to approve any new Easement granted by Arena Co. after the date of this Agreement if and to the extent that such Easement is likely to affect the interest of City in the Arena Co. Tract when the Arena Lease Agreement terminates.

Section 1.2 Easement: Pedestrian Access Over, Ingress to and Egress from Common Area and Incidental Uses of Common Area. Each of Developer, Macy and Arena Co. (Grantor) hereby grants to each other (Grantees) and City (Grantor) hereby grants to each of Developer, Macy and Arena Co. (Grantees) an easement over the Common Area located on Grantor's Tract, as the same has been used for the passage and accommodation of pedestrians, or may be, set aside, maintained and authorized under this Agreement or the COMA for the passage and accommodation of pedestrians (inclusive of the use of elevators and escalators within the Common Area of Grantor's Tract) and the doing of such other things as are authorized or required to be done on the Common Area pursuant to this Agreement or the COMA. Such easement shall include, but shall not be limited to, pedestrian access between Grantee's improvement and the Garages, public streets and other property adjacent to the Project.

Section 1.3 Easement: Public Pedestrian Access Through Plaza Area. Each of Developer, Macy and Arena Co. (Grantor) hereby grants to each other (Grantees) and City (Grantor) hereby grants to each of Developer, Macy and Arena Co. (Grantees), for the benefit of the public at large, a perpetual easement for public pedestrian access (the "**Public Pedestrian Access Easement**") over that portion of the Plaza Area as has been or may be set aside, maintained and used by Grantor for the passage and accommodation of pedestrians from time to time (the "**Public Pedestrian Access Easement Area**"). The Public Pedestrian Access Easement Area may not be used by the public in general for commercial activity; however, in all other respects, the use of the Public Pedestrian Access Easement shall be

subject to the same rules and regulations as Grantor may adopt from time to time with respect to the use and activities of Permittees provided such rules and regulations are reasonable, customary, uniformly applied, not restrictive as to time of use and nondiscriminatory. In addition, the use of the Public Pedestrian Access Easement may be (i) temporarily closed down for events (including but not limited to those associated with the ESC), except that a passageway for pedestrian access shall be retained; and (2) temporarily used for a broad variety of uses, including but not limited to entertainment related uses, ice skating, food bazaars, farmer's markets, sports related activities, seasonal events, festivals, concerts, holiday celebrations (including events that block non-paid access), in each case subject to restrictions (which restrictions are for the benefit of Macy only) set forth in the COMA.

Section 1.4 Easement: Automobile Parking Area and Incidental Uses. City (Grantor) hereby grants to each of Developer, Macy and Arena Co. (Grantee) a perpetual easement in and over the Automobile Parking Area for the passage and parking of automobiles and for the passage and accommodation of pedestrians between the Garages and the Common Area, the Developer Improvements, the Macy Building or the Arena Co. Building, as the Automobile Parking Area has been, or may be, set aside, maintained and used for the passage and parking of automobiles or the passage or accommodation of pedestrians. The Easements granted under this Section 1.4 by City to Arena Co. shall, during the term of the Parking Management Agreement, be subject to any limitations on Arena Co.'s access set forth in the Parking Management Agreement; after the term of the Parking Management Agreement, City and Arena Co. (if Arena Co. is still the lessee or owner of the Arena Co. Tract) shall agree in good faith on any modifications to the terms and conditions of such Easements.

Section 1.5 Unauthorized Use and Prescriptive Rights. Developer, Arena Co. and Macy hereby reserve the right to eject or cause to be ejected from the Common Area on its Tract any Person who is not authorized, empowered or privileged to use such Common Area. Notwithstanding the foregoing, each of Developer, Arena Co. and Macy reserves the right to close off the Common Area of its Tract for such reasonable period of time as may be legally necessary in the reasonable opinion of its attorney to prevent the acquisition of prescriptive rights by any Person; provided, however, that prior to closing off any portion of the Common Area, as herein provided, such Party shall give written notice to each other Party having Common Area on its Tract of its intention so to do and shall coordinate such closing with such other Parties so that there shall be no unreasonable interference with the operation of the Project.

Section 1.6 Easement: Construction. Each of Developer, Macy, City and Arena Co. (Grantor) hereby grants to each other (Grantee) an easement in the Common Area on Grantor's Tract for the following purposes: (a) installation, construction, maintenance, repair and restoration, as applicable, of improvements on the Grantee's Tract performed pursuant to Articles 3 and 8 of the COMA or in connection with construction or use of the Arena Co. Building; and (b) ingress, egress and access to said areas to perform said work. City (Grantor) hereby grants to each of Developer and Arena Co. (Grantee) an easement in that portion of Grantor's Tract underlying the Arena Co. Tract (in the case of City's grant to Arena Co.) and that portion of Grantor's Tract encompassing the Developer Improvements and the Garages (in the case of City's grant to Developer), for the following purposes: (a) installation, construction, maintenance, repair and/or restoration of improvements on the Grantee's Tract, and (in the case of the improvements to the Garage) Developer Improvements within the City (Grantor's) Tract; and (b) ingress, egress and access to said areas to perform said work. The foregoing easements shall not be exercised in such manner as to cause substantial interference with the normal use and enjoyment of Grantor's improvements. The easements granted hereunder shall be temporary

in that they shall be exercisable from time to time only during the course of Grantee's installation, maintenance, construction, restoration or repairs. The Easements granted under this Section 1.6 by City to Arena Co. shall, during the term of the Parking Management Agreement, be subject to any limitations on Arena Co.'s access set forth in the Parking Management Agreement; after the term of the Parking Management Agreement, City and Arena Co. (if Arena Co. is still the lessee or owner of the Arena Co. Tract) shall agree in good faith on any modifications to the terms and conditions of such Easements.

Section 1.7 Easement: Existing and Future Encroachments Among Improvements on Developer, Arena Co. and Macy Tracts. Developer (Grantor) hereby grants to each of Arena Co. and Macy (Grantee), and each of Arena Co. and Macy (Grantor) hereby grants to Developer (Grantee), an easement in Grantor's Tract (excluding any portion of the Grantor's Building(s) except for the purposes of attachment to the exterior thereof) for access to and the installation, construction, use, maintenance, repair and restoration of the following:

(i) existing (if any) and future extensions of Grantee's slab (and Plaza Area flooring, if applicable) for the purpose of providing uninterrupted pedestrian access between Grantor's and Grantee's improvements at approximately the same elevation;

(ii) existing and future attachments, including, but not limited to, expansion joints, to Grantor's wall, but, as to future attachments, only if the attachment is designed in accordance with good construction practice in the manner customarily used for improvements of such type and so as not to impose any seismic load on Grantor's building and improvements unless otherwise approved by Grantor and Grantee in the working drawings for such improvements;

(iii) existing and future canopies, roof and building overhangs, roof flashings, wing walls, awnings, alarm bells, signs, lights and lighting devices and other similar appurtenances but, as to all the foregoing, only if attached to the building of the Grantee and only to a maximum lateral distance of fourteen feet (14'); and

(iv) existing and future electrical or similar vaults and HVAC supply or exhaust shafts, to a maximum lateral distance of fourteen feet (14');

provided, however, if the foregoing items are not in existence as of the date of this Agreement, the precise locations of the foregoing items in Subparts (i), (ii), (iii) and (iv) must be shown in the working drawings for such improvements and specifically approved by the Grantor, which approval Grantor shall not unreasonably withhold or delay. Upon completion of the construction elements referred to in Subparts (i) through (iv) above in accordance with such approved working drawings and upon the request of Grantor or Grantee, Grantor and Grantee as respects the subject easement shall execute an agreement, in recordable form, appropriately identifying the nature and location of each such construction element and the location of the easements granted in this Section 1.7, none of which shall thereafter be changed without the prior written approval of Grantor, exercised in its reasonable discretion.

The easements granted in this Section 1.7 shall not terminate (notwithstanding the occurrence of the Termination Date) so long as Grantee's improvements are in existence or are in the process of being restored, provided that Grantee has commenced, within six (6) months of the date it is physically

feasible for Grantee to commence such construction, and continuously prosecuted to completion, such restoration.

Section 1.8 Easement: Existing and Future Encroachments, Common Footings and Foundations for Side-by-Side Improvements Among City, Developer, Macy and Arena Co. Tracts. City (Grantor) hereby grants to each of Developer, Arena Co. and Macy (Grantee), and each of Developer, Arena Co. and Macy (Grantor) hereby grant to City (Grantee), an easement in Grantor's Tract (excluding any portion of Grantor's Building(s)) for access to and the installation, construction, use, maintenance, repair and restoration of the following:

(i) only in the case of City as Grantee and Macy as Grantor, and Macy as Grantee and City as Grantor, existing (if any) and future separate or common footings, foundations and supports for side-by-side improvements to a maximum lateral distance of six feet (6') for the purpose of supporting building improvements of Grantee and party walls shared by Grantor and Grantee (provided that, at the request of Grantor or Grantee, the relevant Parties shall prepare and record an agreement specifying the exact locations of said underground footings);

(ii) existing (if any) and future extensions of Grantee's slab to a maximum lateral distance of six feet (6') for the purpose of providing uninterrupted pedestrian access between Grantor's and Grantee's improvements at the same elevation;

(iii) only in the case of City as Grantor and Developer as Grantee, existing and future lateral attachments joining Grantee's improvements to Grantor's improvements, but, as to future attachments, only if the attachment is designed in accordance with good construction practice in the manner customarily used for improvements of such type and so as not to impose any seismic load on Grantor's building and improvements unless otherwise approved by Grantor and Grantee in the working drawings for such improvements;

(iv) only in the case of City as Grantor and Developer, Arena Co. and Macy as Grantee, existing and future canopies, roof and building overhangs, roof flashings, wing walls, awnings, signs, lights and lighting devices and other similar appurtenances but, except as provided in this Section 1.8(iv) below, as to all of the foregoing, only if attached to the building of the Grantee and only to a maximum lateral distance of fourteen feet (14'). City acknowledges and agrees (to the extent that it has the right to do so) that the existing north canopy of the Developer Improvements may encroach in excess of fourteen feet (14') over the City Tract and J Street with load-bearing attachment to Grantor's wall within J Street; provided, however, that this shall not be construed so as to override any of City's applicable encroachment permit processes.

(v) in the case of City as Grantor and Developer as Grantee,
(a) encroachment into the unvacated portion of 4th Street of a portion of the Developer Improvements consisting of a stairway from 4th Street to the second level of the Developer Improvements within the Developer Project Tract; and (b) encroachment into the unvacated portion of 4th Street of an overhang extension of the 2nd level Plaza Area for seating purposes.

(vi) only in the case of City as Grantee and Developer as Grantor, existing and future extensions of the following Grantee's improvements from within the City Tract into the above or below portions of the Developer Project Tract and, only in the case of Developer as Grantee

and City as Grantor, existing and future extensions of the following Grantee's improvements from within the Developer Project Tract into the below portion of the City Tract and into the below portions of the Arena Co. Tract: those improvements owned by Grantee, if any, consisting of stairways, escalators or elevators; air vents, ducts or shafts; sewage, drainage, utility or fire protection systems; pipes, lines or conduits; and, in each case, related equipment or facilities, all of which are located substantially within Grantee's Tract. This easement is not intended to imply that all such improvements within Grantee's Tract are owned by Grantee. For instance, the elevators and related elevator equipment serving both the plaza level (see Exhibit B) of the Developer Improvements and Garage K or Garage U are located substantially within Garage K and Garage U, respectively, but are owned by Developer. This easement shall permit future encroachments of Grantee's improvements into Grantor's Tract only insofar as Grantee's improvements encroach by design into Grantor's Tract, such improvements are called for by working drawings approved by Grantor and provided that such easements shall not permit encroachments that would substantially interfere with the full use and enjoyment of Grantor's improvements; and

(vii) only in the case of City as Grantee and Developer as Grantor, existing and future extensions of the following Grantee's improvements from within the City Tract into the above or below portions of the Developer Project Tract, and, only in the case of Developer as Grantee and City as Grantor, existing and future extensions of the following Grantee's improvements from within the Developer Project Tract into the below portion of the City Tract and into the below portions of the Arena Co. Tract: those improvements owned by Grantee, if any, consisting of stairways, escalators or elevators; air vents, ducts or shafts; sewage, drainage, utility or fire protection systems; pipes, lines or conduits; and, in each case, related equipment or facilities, all of which are located substantially within Grantee's Tract. This easement shall permit encroachments of Grantee's improvements into Grantor's Tract only insofar as Grantee's improvements were not designed to encroach into Grantor's Tract but do as a result of minor deviations from construction or reconstruction plans or as a result of vertical displacement provided such easements shall not permit encroachments which would substantially interfere with the full use and enjoyment of Grantor's improvements.

Provided, however, if the foregoing items are not in existence as of the date of this Agreement, the precise locations of the foregoing items in Subparts (i) through (vi), inclusive, must be shown in the working drawings for such improvements and specifically approved by the Grantor, which approval Grantor shall not unreasonably withhold or delay. Upon completion of the construction elements referred to in Subparts (i) through (vi) above in accordance with such approved working drawings, and upon the request of any Party, the Parties shall execute an agreement, in recordable form, appropriately identifying the nature and location of each such construction element and the location of the easements granted in this Section 1.8, none of which shall thereafter be changed without the prior written approval of Grantor, exercised in its reasonable discretion, not to be unreasonably withheld or delayed.

In the event Grantee shall desire to construct or restore common footings, walls and foundations, the following provisions shall apply to Grantee's exercise of its easement under this Section 1.8. To obtain Grantor's approval of common footings, walls and foundations Grantee desires to construct or restore, Grantee shall furnish Grantor with all required live and dead load requirements, all column, anchor and beam conditions and locations, and all other information Grantor shall reasonably require with respect thereto. With respect to a Grantor's footings, walls and foundations existing at the date of this Agreement which Grantee desires to employ as common footings, walls and foundations, Grantee shall perform all construction, maintenance, repair or replacement of such

footings, walls and foundations and Indemnify Grantor from all costs associated therewith. Grantor and Grantee shall share the cost of any newly erected or subsequently restored common footings, walls and foundations approved by Grantor, based on the incremental cost to Grantee of constructing such common footings, walls and foundations to support improvements of Grantor.

The easements granted in this Section 1.8 shall not terminate (notwithstanding the occurrence of the Termination Date) so long as the Grantee's improvements are in existence or are in the process of being restored, provided that Grantee has commenced, within six (6) months of the date it is physically feasible for Grantee to commence such construction, and continuously prosecuted to completion, such restoration.

Section 1.9 Covenant: Maintenance of Common Foundations. The Grantor of an easement in Sections 1.8(i) covenants to Grantee that, if all or any part of Grantor's improvements are removed or destroyed at a time when Grantor is not required to restore the same under the COMA or the POMA, Grantor shall leave in place any foundations, party walls and load-bearing walls (or portions thereof) not destroyed for so long as that portion of Grantee's improvements sharing such foundations and/or walls (as originally constructed or as replaced under this Agreement) exist or are being restored, provided that, immediately prior to such removal or destruction, Grantor and Grantee shall have shared such foundations or walls (or portions thereof).

Nothing in this Section 1.9 shall be deemed (a) to impose any greater obligation to restore any portion of the Project than is contained in the COMA or the POMA, or (b) to prohibit any Grantor from demolishing its improvements after such time as it is obligated to restore the same under the COMA or the POMA.

The covenants given under this Section 1.9 shall not terminate (notwithstanding the occurrence of the Termination Date) so long as the Grantee's improvements exist or are being restored, provided that Grantee has commenced, within six (6) months of the date it is physically feasible for Grantee to commence such construction, and continuously prosecuted to completion, such restoration.

Section 1.10 Easement: Support of Developer Improvements and Other Blanket Easements in Favor of Developer. City (Grantor) hereby grants to Developer (Grantee) an easement in Grantor's Tract or Grantor's improvements thereon as described below located beneath Grantee's building improvements for the purpose(s) described below and for access to and, without in any way implying the existence or creation of a duty upon Grantee to maintain, repair or reconstruct Grantor's improvements, the maintenance, repair and reconstruction of such portions of Grantor's improvements described below and the below-described installations of Grantee within Grantor's improvements:

(i) Garage footings, foundations, pilings, pile caps, columns, walls, beams, the uppermost ceiling slab of the Garage and the beams supporting the same (such slab and beams being referred to herein as the "**Top Deck**") and other structural members of the Garage (collectively referred to herein as the "**Garage Structural Members**") for the purpose of support of the overlying building improvements of Grantee;

(ii) the Top Deck of the Garage for the purpose of structural connection and anchorage of Grantee's building improvements to the Top Deck or other Garage Structural Members;

(iii) the upper surface of the Top Deck for use as the floor of the lower level of Grantee's overlying improvements with the right to surface and resurface the same;

(iv) the Garage Structural Members for the purpose of adding additional support capacity to the Garage Structural Members provided the present structural elements shall not be increased in size to such extent as to interfere substantially with the operation of the subject Garage; further provided;

(v) the placement and installation in locations agreed upon by Grantor and Grantee (and any such agreement may be withheld in either Party's sole discretion in the event of a loss of parking stalls from such placement or installation) during construction or reconstruction of the applicable Garage of expansion joints and pipes, lines, wires, mains, conduits, ducts, vents and related equipment and facilities within the Garage, including blowers, fans and motors for the transmission of air, gas, water and other utilities; provided, Grantee's use of such easement rights shall not substantially interfere with Grantor's use and enjoyment of its improvements, and Grantee shall Indemnify Grantor as specified in Section 1.1.I with respect to such installation work and any repair of Grantee's improvements;

(vi) connection to and use of the mains and pipelines for sanitary sewers, the sanitary sewer pumping facility, the sewage disposal units and all related equipment, facilities and structures in connection therewith, located within the underlying Garage; excluding, however, the storm sewers and drains and related facilities now constructed within or beneath the underlying Garage;

(vii) connection to and use of the mains and pipelines of the fire protection system located within Garage K and Garage U; and

(viii) only in favor of Developer as Grantee, (a) the 5th Street bridge and underpass structure, including footings, foundations, pilings, pile caps, walls and beams for the purpose of support of the overlying building improvements of Grantee; (b) the 5th Street bridge slab and beams supporting the same, for the purpose of structural connections and anchorage of Grantee's building improvements and the installation of utility lines; and (c) the upper surface of the 5th Street bridge slab for use as the floor of the lower level of Grantee's overlying building improvements.

The easements granted in this Section 1.10 shall not terminate (notwithstanding the occurrence of the Termination Date) so long as Grantee's improvements are in existence or are in the process of being restored, provided that Grantee has commenced, within six (6) months of the date it is physically feasible for Grantee to commence such construction, and continuously prosecuted to completion, such restoration.

Section 1.11 Easement: Support of Garage K and Garage U and Other Blanket Easements in Favor of City. Developer (Grantor) hereby grants to City (Grantee) an easement in Grantor's Tract or Grantor's improvements thereon as described below for the purpose(s) described below and for access to and the maintenance, repair and reconstruction of such Grantee's improvements and the below-described installations of Grantee therein:

(i) the portion of Grantor's Tract below Garage K and below Garage U, for the placement and support of pilings, pile caps, footings, foundations and all related structural members required for the support of Grantee's Garage and overlying improvements;

(ii) the portion of Grantor's Tract below Garage K and below Garage U, for the placement of (a) drainage and sewer mains, pipelines and related facilities such as pumping facilities and sewage disposal units and (b) elevator and escalator service pits and related equipment and structures; and

(iii) the portion of Grantor's Tract above Garage K and above Garage U, for the placement and installation in locations agreed to by Grantor and Grantee (during construction or reconstruction of Grantor's improvements) of expansion joints and pipes, lines, wires, mains, conduits, ducts, vents and related equipment and facilities, including blowers, fans and motors for the transmission of air, gas, water and other utilities; provided, Grantee's use of such easement rights shall not substantially interfere with Grantor's use and enjoyment of its improvements.

The easements granted in this Section 1.11 shall not terminate (notwithstanding the occurrence of the Termination Date) so long as Grantee's improvements are in existence or are in the process of being restored; provided that Grantee has commenced, within six (6) months of the date it is physically feasible for Grantee to commence such construction, and continuously prosecuted to completion, such restoration.

Section 1.12 Easement: Specific Developer and Arena Co. Easements in City Tract. The easements identified below relate to certain improvements or areas located within the Grantor's Tract and are designated in Exhibit B. While the locations of certain of the easements described in this Section 1.12 are identified on Exhibit B attached hereto, the parties hereto acknowledge that because Developer is, as of the date of this Agreement, completing its plans and specifications for the Project, the location of certain of the easements described in this Section 1.12 may need to be modified following Developer's finalization of such plans and specifications (and /or legal descriptions revised or created), and accordingly the parties hereto agree that following Developer's finalization of such plans and specifications and City's approval of the modified locations, Developer shall have the right to prepare and record (and will prepare and record if requested by any other Party) either, at Developer's discretion, additional easement agreements ("**Additional Easement Agreements**"), and/or a final tract map (the "**Final Tract Map**"), which set forth the precise location and/or legal descriptions of certain of the easements described in this Section 1.12, but only to the extent that such modifications constitute non-material changes to the location of such easements and do not cause any such easement to become an encroachment on any other Parties' tract (unless the burdened Parties approve). Following the recordation of such Additional Easement Agreements and/or Final Tract Map, such Additional Easement Agreements and/or Final Tract Map shall be deemed to amend Exhibit B attached hereto, and the final locations of the easements described in this Section 1.12 shall be as set forth on the Additional Easement Agreements and/or Final Tract Map, as applicable. City (Grantor) hereby grants to Developer and Arena Co. (Grantee), as applicable, an easement in the portions of the City Tract described below (and hereby consents as to any adjacent right of way described below to the extent City has the right to do so) for the purposes described below and, if applicable, for maintenance, repair and reconstruction of Grantee's improvements, fixtures, equipment or machinery located within such easement areas and access to such areas to perform such work:

(i) Service Elevators. Use, operation and installation of five (5) service elevators and of related elevator equipment and related electrical, mechanical and telephonic equipment for the vertical transportation of service personnel, freight, merchandise and other materials in four (4) locations depicted on Exhibit B and generally positioned as follows: one located in Garage K at the

northwest corner of the current 24 Hour Fitness tenant space; one located in Garage K within the elevator core servicing the hotel/residential tower between 5th Street and 6th Street; and two (2) service elevators within Garage U as shown on Exhibit B (one located adjacent to 4th Street along the south wall of the movie theater building and one adjacent to 5th Street below the food court existing as of the date hereof). These easements shall be exclusive to Developer;

(ii) Passenger Elevators. Use, operation and installation of ten (10) passenger elevators each for vertical transportation between Garage K or Garage U, as applicable, and the overlying Developer Improvements and of related elevator equipment in the following locations: eight (8) elevators and related equipment within Garage K below the Developer Improvements (this includes the two (2) elevators in Garage K servicing the Office Building at 660 J Street, one (1) in Garage K accessing the Plaza Area adjacent to 7th Street, five (5) in Garage K located within the Hotel/Residential tower located between 5th Street and 6th Street, one (1) in Garage K accessing the Plaza Area adjacent to 5th Street, and one (1) in Garage U accessing the Plaza Area between 4th Street and 5th Street, all as shown on Exhibit B. The easement for use of these passenger elevators shall be non-exclusive;

(iii) Stairways. Use of seven (7) stairways and stairwells for pedestrian access between Garage K or Garage U, as applicable, and the overlying Developer Improvements in the following seven (10) locations: four (4) within Garage K below the Developer Improvements and three (3) within Garage U, all as shown on Exhibit B;

(iv) Escalators. Use, for pedestrian access between Garage K or Garage U, as applicable, and the overlying Developer Improvements, of the eight (8) escalators located in the following two (2) areas: a bank of four (4) connecting P-1 and P-2 levels of Garage K to the Plaza Area adjacent to 6th Street; and a bank of four (4) connecting the P-1 and P-2 levels of Garage U to the Plaza Area adjacent to 4th Street, all as shown on Exhibit B;

(v) Electrical Equipment Room. Use, operation and placement, as shown on Exhibit B, of electrical and mechanical equipment, including, but not limited to, pipes, lines, wires, mains, conduits, blowers, fans, motors, machinery and other equipment related to the furnishing of electrical power to the Developer Improvements. This easement shall be exclusive to Developer;

(vi) Vehicular and Pedestrian Access to the Plaza Area. Emergency, delivery, service, maintenance and repair vehicle access and pedestrian access through an area along 5th Street adjacent to J Street and L Street, and adjacent to the Plaza Area along the west side of 7th Street and along the east side of 4th Street, as shown on Exhibit B;

(vii) Access From 5th Street to Truck Loading Area. Vehicular and pedestrian access over the driveway from 5th Street to the ESC loading dock as shown on Exhibit B, for the purpose of ingress to and egress from 5th Street to the truck loading area within the Arena Co. Tract;

(viii) Truck Service Area (West End of Merchant Street). Use of the truck receiving and loading area and the trash storage area now located within that portion of Lot K (lying outside Garage K) just west of the intersection of 6th Street and Merchant Street, all as shown on Exhibit B. This easement shall be exclusive to Developer;

(ix) Ventilation. Use of the air ventilation system and venting now located within the south wall of Garage K for the purpose of ventilating and exhausting air from the adjacent truck service area and loading dock, as shown on Exhibit B;

(x) Truck Service Area (East End of Merchant Street). Use of the truck receiving and loading dock area located within level P-2 of Garage K below the Developer Improvements just east of the easterly terminus of Merchant Street, for truck receiving, loading and unloading for the temporary trash storage within trash receptacles. This easement shall be exclusive to Developer;

(xi) Fire Pumps. Installation and use of a fire sprinkler pump and related electrical equipment within level P-1 of Garage K below the Developer Improvement identified as “660 J Building” and installation and use of a fire pump on Level P-1 of Garage U below the Developer Improvements, as both such areas are shown on Exhibit B. These easements shall be exclusive to Developer;

(xii) Telephone Equipment. Use, operation and installation of telephone equipment on Level P-1 of Garage K and within Level P-1 of Garage U, as shown on Exhibit B. This easement shall be exclusive to Developer;

(xiii) Elevator Piston Equipment. Use, operation and installation of elevator piston equipment and related equipment on Level P-1 of Garage K, as shown on Exhibit B. This easement shall be exclusive to Developer;

(xiv) Escalator Pits. Use, operation and installation of escalator equipment within the four (4) escalator pits within the Top Deck of Garage U located adjacent to the Macy Building and the Top Deck of Garage K located west of 5th Street in the Plaza Area, all as shown on Exhibit B. These escalator pits relate to the escalators connecting the Plaza Area to the 2nd floor west of 5th Street;

(xv) Light Standards and Fixtures and Planters. Installation and use of light standards and fixtures and planters within the City Tract (1) confined to the sidewalk along the south side of J Street between 5th Street and 6th Street (except to the extent any such portion shall have been transferred to Developer); and (2) within the vacated portion of 4th Street from L Street to J Street. The exact location of the light standards, light fixtures and planters within the above-described City sidewalks and former 4th Street shall be described in City-approved encroachment permits for such improvements.

The easements granted under this Section 1.12 shall not terminate (notwithstanding the occurrence of the Termination Date) so long as the Grantee’s improvements exist or are being restored, provided that Grantee has commenced, within six (6) months of the date it is physically feasible for Grantee to commence such construction, and continuously prosecuted to completion, such restoration.

Section 1.13 Easement: Specific City Easements in Developer Improvements. The easements identified below relate to certain improvements or areas located within the Grantor’s Tract and are designated in Exhibit B. While the locations of certain of the easements described in this Section 1.13 are identified on Exhibit B attached hereto, the parties hereto acknowledge that because

Developer is, as of the date of this Agreement, completing its plans and specifications for the Project, the location and/or legal descriptions of certain of the easements described in this Section 1.13 may need to be modified following Developer's finalization of such plans and specifications (and /or legal descriptions revised or created), and accordingly the parties hereto agree that following Developer's finalization of such plans and specifications and the recordation of the Final Tract Map, the final locations of such easements shall be as set forth on the Final Tract Map. Developer (Grantor) hereby grants to City (Grantee) an easement in the portions of the Developer Project Tract described below for the purposes described below and, if applicable, for maintenance, repair and/or reconstruction of Grantee's improvements, fixtures, equipment or machinery located within such easement areas and ingress to, egress from and access to such areas to perform such work:

(i) Access. Public pedestrian access over the pedestrian access areas on Grantor's Tract, as the same may exist from time to time, between the escalator and elevator landings within the Plaza Areas and the nearest portion of the Public Pedestrian Access Easement Area;

(ii) Passenger Elevators. Use of the passenger elevator connecting Garage U to the Plaza Area and the passenger elevator connecting Garage K to the Plaza Area for public pedestrian access between such Garage and the Plaza Area;

(iii) Ventilation Shafts. The placement and use of eight (8) ventilation shafts in and through the Developer Improvements from the Top Deck of Garage K to the roof of the overlying Developer Improvements, as shown on Exhibit B, and the installation, use and operation of heating, ventilation and air-conditioning equipment on the roof of the Developer Improvements on or adjacent to such shafts where they penetrate the roof of the Developer Improvements. Such ventilation shafts are located as follows: four (4) within the Developer Improvements above Garage U and four (4) within the Developer Improvements above Garage K.

(iv) Ventilation. The free and unimpeded flow of outside air over, through and across the Arena Co. loading dock truck service entry along the east side of 5th Street, as shown on Exhibit B;

(v) Vehicular and Pedestrian Access. Emergency vehicle access and pedestrian access over and upon the ramps within the Plaza Area located generally along and above the east side of 5th Street, as shown on Exhibit B;

(vi) Driveway Between Garage K and 7th Street. Vehicular and pedestrian access over the driveway between 7th Street and Garage K, as shown on Exhibit B, for ingress to and egress from Garage K and 7th Street and for the erection and maintenance of appropriate light standards and traffic signs;

(vii) Signage. The installation of signage and related integrated lighting on the Developer Improvements identifying entrances to Garage K in the following locations, as more specifically shown on Exhibit B: at vehicular entrances along J Street in areas no greater than 3 feet in height and 10 feet in length, and at the vehicular along 7th Street in an area no greater than 3 feet in height and 10 feet in length; and

(viii) Access to Sump Pump Equipment Below Plaza Area. Access for repair and maintenance purposes to the sump pumps and storm sewer equipment and improvements

located below the Plaza Area north of the Macy Tract and adjacent to 5th Street through a set of hatch doors to be installed by Developer within the Plaza Area immediately above the location of such equipment.

The easements granted under this Section 1.13 shall not terminate (notwithstanding the occurrence of the Termination Date) so long as the Grantee's improvements exist or are being restored, provided that Grantee has commenced, within (6) months of the date it is physically feasible for Grantee to commence such construction, and continuously prosecuted to completion, such restoration.

Section 1.14 Easement: Utilities. City (Grantor) hereby grants to each of Arena Co. and Developer (Grantee) an easement in Garage K, and grants to Developer and Macy (Grantee) an easement in Garage U, for the installation (without alteration of Garage Structural Members other than penetration of the top deck in a manner not affecting the load-bearing capacity of the Garage), operation, flow, passage, use, maintenance, repair, replacement, relocation, restoration and removal of Separate Utility Lines and Common Utility Lines (collectively, "**Utility Lines**"); provided the Utility Lines are installed in a manner which do not materially interfere with use, maintenance or repair of the subject Garage. All Utility Lines, whether or not installed or relocated pursuant to the easements granted herein, shall be placed in a location within Garage K or Garage U approved by Grantor.

Grantee shall notify Grantor at least two (2) weeks before Grantee's installation, maintenance, repair, restoration, relocation or removal of any such Utility Lines; provided, however, in the case of an emergency, Grantee may perform or cause to be performed any such work immediately after giving Grantor such advance notice as is practicable under the circumstances. Grantee shall perform all such work without cost or expense to Grantor and in such a manner as to cause as little disturbance with Grantor's and any Permittee's use of the Garage as may be practicable under the circumstances. Grantee shall not conduct nor cause to be conducted any of the foregoing work, except emergency repair work, during the period from November 1 of any calendar year through January 15 of the following year.

The Grantor of any utility easement granted under this Section 1.14 shall have the right to relocate the same on its Tract at any time; provided that Grantor shall give Grantee thirty (30) days' notice thereof; and, provided further, that such relocation (a) shall not interfere with or diminish the utility services to Grantee, (b) shall not reduce or unreasonably impair the usefulness or function of such easements, (c) shall not be relocated other than within the Garage, and (d) shall be performed at Grantor's sole cost and expense and without cost or expense to Grantee, including any increased cost of maintenance caused by such relocation. The foregoing notwithstanding, temporary interferences with and diminutions in such services shall be permitted if Grantor notifies Grantee of its intention to interfere with such services and coordinates such interference with Grantee so that such interference occurs during Grantee's nonbusiness hours.

Subject to the provisions of Section 1.17, the easements granted in this Section 1.14 shall be perpetual and shall survive the Termination Date. From and after the Termination Date as to either the dominant or the servient tenement, Grantee shall not add to, expand, locate or relocate any Utility Line on the servient tenement, and Grantee shall be responsible for all costs of maintenance, repair, operation, restoration and/or removal with regard to the utility easements and associated Utility Lines.

Section 1.15 Easement: Exterior and Accent Lights. Each of Developer, Arena Co. and Macy (Grantor) hereby grants to each other (Grantee) an easement in that portion of the Common Area of Grantor's Tract that is contiguous to Grantee's Tract and within fifty (50) feet of the face of Grantee's Building only in locations approved by the Grantor (or such other location as Grantor and Grantee shall, by a subsequent recorded instrument, jointly designate) for the following purposes: (a) installation, maintenance, repair, replacement and removal, at Grantee's sole cost and expense (including the cost of electricity), of lights to highlight the exterior of Grantee's Building, installed on such light standards as Grantor and Grantee shall have previously approved; and (b) ingress to, egress from and access to said area to perform said work.

Section 1.16 Intentionally Omitted.

Section 1.17 Abandonment of Easements. The easements granted under Section 1.14 and the right to maintain any improvements constructed in the exercise thereof, may only be terminated (even in the case of a prior occurrence of the Termination Date): (a) in the event Grantee abandons the same at any time by written notice to Grantor or (b) should Grantor elect to terminate the same after the Termination Date of this Agreement because the use thereof, including the use of facilities therein, shall have ceased for a period of two (2) years and prior to the resumption of use (x) Grantor shall have notified Grantee that such easement has been abandoned, (y) Grantor shall have caused to be recorded in the Recorder's Office in Sacramento County, California, an affidavit that such abandonment has taken place and that such notice has been properly given and (z) within ninety (90) days after such notice, Grantee shall have failed to record in the aforesaid Recorder's Office an affidavit that Grantee has in fact used such easement within such two (2) year period or in good faith intends to use such easement within the next two (2) year period. Any Person at any time acquiring an interest in any Tract after the first such affidavit described above has been placed of record shall (provided such affidavit and recording shall have been made after the Termination Date as provided above) be entitled to rely justifiably on the Grantee's failure to record an affidavit of use within such ninety (90) day period as conclusive evidence that such easement has been abandoned and terminated.

The easements or covenants (as the case may be) granted under Sections 1.7, 1.8, 1.9, 1.10, 1.11, 1.12 and 1.13 may be terminated by Grantor after the expiration of the period set forth in the last grammatical paragraph of each such Section as follows: (x) Grantor shall have notified Grantee that such period has expired, (y) Grantor shall have caused to be recorded in the Recorder's Office in Sacramento County, California, an affidavit that such expiration has occurred and that such notice has been properly given and (z) within ninety (90) days after such notice, Grantee shall have failed to record in the aforesaid Recorder's Office an affidavit that such period has not expired or Grantee in good faith intends to commence restoration of its improvements within six (6) months of the date it is physically feasible for Grantee to commence such restoration, and continuously prosecute such restoration to completion. Any Person at any time acquiring an interest in any Tract after the first such affidavit described above has been placed of record shall (provided such affidavit and recording shall have been made after the Termination Date as provided above) be entitled to rely justifiably on the Grantee's failure to record an affidavit to the effect that the period has not expired within such ninety (90) day period as conclusive evidence that such easement has been terminated.

Section 1.18 Prohibition Against Granting Easements. No Party shall grant or otherwise convey any easements like those granted in this Article 1 for the benefit of any property outside the boundaries of the Project without the prior consent of all Parties.

Section 1.19 Correction of Site Descriptions by Conveyance of Title or Grant of Easements. The Parties acknowledge that, because of inadvertent error, the Developer Improvements, the Garages and the Buildings may not be constructed so as to be situated precisely within their respective Building Sites and Tracts as described in Exhibit A. In the event a survey shall disclose that any Party's improvement has not been precisely constructed within its respective Building Site and/or Tract, then, upon the request of any Party whose Tract is subject to encroachment or whose improvements encroach onto the Tract of another Party, each Party upon whose Tract the encroachment occurred agrees to either (a) grant an easement over that portion of its Tract as is required to correct such descriptions, or (b) convey satisfactory title to such portion of its Tract to the encroaching Party in order to revise the Tract description in a manner which avoids the encroachment, in which event the encroaching Party shall deed to the Party whose improvements encroached an equivalent amount of acreage contiguous with the Tract encroached upon. In the event of the conveyance described above in clause (b) of this Section 1.19, upon the request of any Party, all Parties shall promptly execute an agreement, in recordable form, amending Exhibit A and amending the COMA so as to revise the description of such Tract and the adjoining Tract to coincide with the "as-built" perimeter of said improvement and to include in the adjoining Tract an amount of land equivalent to that which had been taken by the revision and encroachment. Nothing herein contained shall relieve any Party of its duty to exercise all due diligence so as to construct its Common Area and other improvements within its Tract precisely as described on Exhibit A and as shown on Exhibit B.

Section 1.20 Termination of Benefits. In the event of a permanent taking by condemnation of any portion of the Project, all easements appurtenant to the portion so condemned shall, upon the taking of such portion, terminate to the extent they are appurtenant to such portion, but shall continue as to any portion not so condemned.

Section 1.21 Joinder in Necessary Dedications. Each Party shall individually execute or join in the execution of such instruments as may be required in order to effectuate the installation of public utilities under and across portions of their respective Tracts, subject to the provisions contained in Section 1.14 of this Agreement, to the extent necessary for the sole benefit of a Party's Tract or the Project.

Section 1.22 Limitation on Dedication and Taking. Except for public use of the Public Pedestrian Access Easement, no Party shall dedicate any portion of its Tract for public purposes.

Section 1.23 Covenants and Easements Binding on Tracts and Running With the Land. Each and all of the covenants and easements of each Party contained in this Agreement shall bind both such Party's Tract and each and every other person having any fee, leasehold or other interest in any part of such Tract, at any time and from time to time, to the extent that such part of such Tract is affected or bound by the covenants and easements in question, or that such covenants and easements are to be performed thereon and shall inure to the benefit of each other Party and their respective Tracts and shall run with the land.

Section 1.24 Dominant and Servient Estates. With respect to the various covenants (whether affirmative or negative) and easements on the part of each Party contained in this Agreement which affect or bind or are to be performed on portions of the Tract of any Party during the term of this Agreement, the Tract benefitted by such covenant or easement shall be the dominant estate, and the servient estate shall be the Tract burdened by such covenant or easement or, if the particular covenant

or easement affects, binds or is to be performed on less than the whole of such servient Tract, the servient estate shall be such portion thereof as is affected or bound by the particular covenant or easement or on which the particular covenant is to be performed.

ARTICLE 2

PUBLIC LIABILITY INSURANCE

Section 2.1 General Liability Insurance - Tracts. Each Party shall, severally, at all times during the term of this Agreement, maintain in full force and effect commercial general liability and property damage insurance with a financially responsible insurance company or companies, with amounts and coverages for claims arising out of occurrences, accidents and incidents on its Tract. Said insurance shall have a combined single limit of liability per occurrence of no less than Ten Million Dollars (\$10,000,000), which may be provided by a primary insurance carrier and an additional umbrella or excess policy that follows the form of the underlying primary policy. Liability insurance shall have a deductible of not greater than Two Hundred Fifty Thousand Dollars (\$250,000), or such other prudent amount as the Parties may jointly agree upon from time to time. Such insurance shall, to the extent customarily covered by contractual liability insurance, provide a contractual liability endorsement covering the Indemnity given in Paragraph I of Section 1.1.

Section 2.2 Blanket Insurance and Self-Insurance. A Party may provide the insurance described in Section 2.1 in whole or in part through a policy or policies covering other liabilities and locations of the Party or its subsidiary, successor, affiliate or controlling corporation (or, in the case of City only, a department or agency of City) and may satisfy the insurance requirements referred to in Section 2.1 in whole or in part through any plan of self-insurance maintained from time to time by such Party; provided, such Party complies with the requirements of this Section 2.2. Any Party electing to self-insure shall so notify all other Parties, shall have and maintain (together with its guarantor, if any) a net worth of at least Three Hundred Million Dollars (\$300,000,000) and net current assets of at least One Hundred Fifty Million Dollars (\$150,000,000), and shall furnish to any other Party requesting the same evidence of such net worth and net current assets. The most recently published annual report of any such Party (or its guarantor) that is audited by an independent certified public accountant shall be sufficient evidence of its net worth and net current assets. If any Party is qualified to and elects to self-insure pursuant to the provisions of this Section 2.2 and thereafter elects not to self-insure, it shall give at least thirty (30) days' prior notice to each of the other Parties.

Section 2.3 General. City shall not be required to insure either the City Tract or the Arena Co. Tract unless and until it becomes the successor Operator under the POMA as to the City Tract and unless and until it succeeds to the rights and obligations of Arena Co. as to the Arena Co. Tract. From time to time, at the request of any Party, the amounts of insurance limits and deductibles, and the self-insurance requirements, provided for in this Article 2 shall be reevaluated and adjusted as appropriate. All Parties not electing to self-insure shall provide insurance as specified in this Article 2 in accordance with the following standards. Upon request, the Party obtaining such insurance (the "**Named Insured**") shall furnish to the other Parties evidence that the required insurance is in full force and effect, that the premiums therefor have been paid and that the insurance is of an "occurrence" type. All insurers shall be financially responsible and have ratings in the "Best's Key Rating Guide" of "A-" or better and a financial size category rating of "VII" or better. All insurance policies (including endorsements under any blanket policy) shall (a) cover all Parties other than the Named Insured as

additional insureds thereunder, (b) specify that the coverage afforded any such additional insured is primary to the extent such additional insured is entitled to Indemnity under Paragraph I of Section 1.1, (c) have a cross-liability clause, and (d) provide that such insurer shall endeavor to provide thirty (30) days' prior written notice of cancellation to all insureds.

ARTICLE 3

FORCE MAJEURE

Each Party shall be Excused from its duty to perform any covenant or obligation of this Agreement, except one to pay any sums of money not expressly conditioned on any Party's performance of a covenant or obligation that has itself been Excused by this Article 3, in the event but only so long as the performance of any such covenant or obligation is prevented, delayed, retarded or hindered by any of the following: act of God; fire; earthquake; floods; explosion; action of the elements; war; invasion; insurrection; riot; mob violence; sabotage; inability to procure, or a general shortage of, labor, equipment, facilities, materials or supplies in the open market; failure of transportation; strikes; lockouts; action of labor unions; condemnation; requisition; laws; orders of governmental or civil or military or naval authorities; or any other cause, whether similar or dissimilar to the foregoing, not within the respective control of such Party (other than the lack or inability to procure monies to fulfill its covenants and obligations provided in this Agreement).

Notwithstanding any specific references in certain provisions of this Agreement to this Article 3, the absence of such specific reference in any other provision shall not be deemed to diminish the general applicability of this Article 3.

ARTICLE 4

DISCHARGE

Section 4.1 Discharge on Transfer. Except as provided in Section 4.3, a Transferor shall be Discharged from and after the later of the effective date of the Transfer and the satisfaction of the following conditions:

A. Transferor shall have paid all amounts due and payable hereunder, if any, to any Party as of said effective date;

B. Transferor shall have given all Parties notice of the Transfer; and

C. Transferor shall have delivered to each Party a written instrument in recordable form, duly executed and acknowledged by the Transferee, whereby Transferee shall have expressly assumed all of the covenants, duties and obligations of Transferor under this Agreement, or with respect to a Transferee of an Involuntary Transferee, those of the Involuntary Transferor.

Section 4.2 Discharge on Involuntary Transfer. Subject to Section 4.3, an Involuntary Transferor (i.e., Mortgagee) shall be Discharged from and after the effective date of the Involuntary Transfer on condition that the Involuntary Transferee shall have paid all amounts due and payable to any Party by the Involuntary Transferee as of said effective date.

Section 4.3 Discharge of Mortgagee. A Mortgagee that acquires title to a Tract (or portion thereof) in an Involuntary Transfer shall subsequently be Discharged from and after the effective date of said Mortgagee's Transfer of its interest in said Tract.

Section 4.4 No Waiver. A Party's Excuse, Discharge or Release or a Party's continued performance after serving a notice to Cure shall not diminish any rights of such Party under this Agreement, including any claim for damages, or constitute such Party's waiver of the effectiveness of the notice it shall have served.

ARTICLE 5

ATTORNEY FEES

Section 5.1 Prevailing Party. If any Party shall institute any action or proceeding ("**Suit**") against any other Party relating to (a) any breach or alleged violation of any covenant, term or obligation of this Agreement, (b) any Default, or (c) enforcement of the provisions hereof, the "**Prevailing Party**" shall be entitled to recover from the nonprevailing Party, as part of the Prevailing Party's costs of Suit or its damages, said Prevailing Party's reasonable attorney fees incurred since commencement of the Suit, as fixed by the court.

The "**Prevailing Party**" shall be the Party which by law is entitled to recover its costs of Suit. A final judgment shall specify the Prevailing Party's right to recover its costs of Suit (including attorney fees) incurred in enforcing, perfecting and executing such judgment, and including without limitation, such costs incurred in connection with any of the following: (i) post-judgment motions; (ii) contempt proceedings; (iii) garnishment, levy, and debtor/third party examinations; (iv) discovery; and (v) bankruptcy litigation.

A Party not entitled to recover its costs shall not recover attorney fees. No sum for attorney fees shall be included in calculating the amount of a judgment to determine whether a Party is the Prevailing Party entitled to recover its costs and attorney fees. The term "**attorney fees**" shall include fees of outside counsel and reasonable costs allocable to a Party's in-house counsel. The provisions of this Article 5 shall not apply to any action or cause of action for declaratory relief.

ARTICLE 6

NOTICES

Section 6.1 Notices to Parties. Any notice, demand, request, consent, approval, designation, or other communication that any Party is required or desires to give, make or communicate to any other Party shall be given, made or communicated in writing by personal delivery, reliable overnight courier, facsimile transmission (followed by first class United States mail), or United States certified mail, return receipt requested with postage fully prepaid, to the following addresses:

Developer: John Rinehart, CFO
 Sacramento Basketball Holdings LLC
 One Sports Parkway
 Sacramento, CA 95834
 Facsimile: (916) 928-6983

With copies to: Mark Friedman, Owner
1530 'J' Street, Suite 200
Sacramento, CA 95814
Facsimile: None

Jeffrey Dorso, Esq.
Pioneer Law Group, LLP
1122 'S' Street
Sacramento, CA 95811
Facsimile: (916) 496-8500

Adam R. Klein, Esq.
Katten Muchin Rosenman LLP
525 W. Monroe Street
Chicago, IL 60661-3693
Facsimile: (312) 902-1061

JMA Ventures, LLC
180 Sansome Street, Suite 1200
San Francisco, CA 94104
Attn: Messrs. Paul Faries and Todd Chapman

City: City of Sacramento
Office of the City Manager
915 'I' Street, Room 101
Sacramento, CA 95814
Attn: Deputy City Manager

with a copy to: City of Sacramento
Department of Public Works
300 Richards Boulevard
Suite 213
Sacramento, CA 95811
Attn: Matt Eierman, Parking Manager

Macy: Macy's West Stores, Inc.
7 West Seventh Street
Cincinnati, Ohio 45202
Attn: Real Estate Department (CA)

with a copy to: Macy's West Stores, Inc.
7 West Seventh Street
Cincinnati, Ohio 45202
Attn: Law Department – Real Estate Group (CA)

Arena Co: John Rinehart, CFO, and Randy Koss, Senior Vice President,
Real Estate Development
Sacramento Basketball Holdings LLC
One Sports Parkway
Sacramento, CA 95834
Facsimile: (916) 928-6983

With copies to: Mark Friedman, Owner
1530 'J' Street, Suite 200
Sacramento, CA 95814
Facsimile: None

Jeffrey Dorso, Esq.
Pioneer Law Group, LLP
1122 'S' Street
Sacramento, CA 95811
Facsimile: (916) 496-8500

Adam R. Klein, Esq.
Katten Muchin Rosenman LLP
525 W. Monroe Street
Chicago, IL 60661-3693
Facsimile: (312) 902-1061

Each Party may designate at any time a different or additional address for its receipt of notices by giving at least ten (10) days' notice of such change of address to all other Parties.

Any notice, demand, request or other communication (except any consent, approval or designation), including any copy, shall be deemed to have been given, made, received and communicated, as the case may be, on the date personal delivery was effected if personally served, or on the date of delivery (or attempted delivery) as shown on the return receipt if delivered by mail. If any such notice requires any action or response by the recipient or involves any consent or approval solicited from the recipient, such fact shall be clearly stated in the notice in the manner provided in Section 9.6.C. Any responsive consent, approval or designation shall be sent as provided above and shall be deemed to have been given, made, received and communicated, as the case may be, on the date of personal delivery or the date the same was deposited in the United States mail in conformity with this Section 6.1.

In the event that a Party shall give notice to any other Party of a Default, such Party shall concurrently send each of the other Parties and their Mortgagees (in accordance with Section 6.2) a copy of such notice; provided, however, failing to give such notice to the other Parties (and/or their Mortgagees) shall not affect the validity of such notice of Default nor shall giving or failing to give such notice create any liability on the part of the Party so declaring a Default.

Section 6.2 Mortgagee Notice. The Mortgagee under a Mortgage affecting the Tract of a Party shall be entitled to receive notice of any Default by the Party as to such Tract, provided that such

Mortgagee shall have delivered a copy of a notice in the form hereinafter contained to each Party. The form of such notice shall be as follows:

The undersigned, whose address is _____ does hereby certify that it is a "Mortgagee" (as defined in the Amended and Restated Cross-Easement Agreement) of the Tract of land described on Exhibit A attached hereto and made a part hereof and being the Tract of [Party] ("**Party**") in Sacramento Gardens, located in Sacramento, California. In the event that any notice shall be given of the Default of the Party upon whose Tract the Mortgage held by the undersigned applies, a copy thereof shall be delivered to the undersigned who shall have all rights of such Party to Cure such Default. Failure to deliver a copy of such notice to the undersigned shall in no way affect the validity of the notice of Default as it respects such Party, but shall make the same invalid as it respects the Mortgage of the undersigned.

Any such notice to a Mortgagee shall be given in the same manner as provided in Section 6.1. In the event that any notice shall be given of the Default of a Party and such Defaulting Party has failed to Cure or commence to Cure such Default as provided in this Agreement, then and in that event any such Mortgagee under a Mortgage affecting the Tract of the Defaulting Party shall be entitled to receive an additional notice given in the manner provided in Section 6.1, that the Defaulting Party has failed to Cure such Default and such Mortgagee shall have thirty (30) days after said additional notice to Cure or, if such Default cannot be Cured within thirty (30) days, to commence to Cure any such Default and to prosecute said Cure continuously and diligently until completed; provided, however, that if any Cure shall reasonably require possession, a Mortgagee shall have the opportunity to commence and diligently proceed with foreclosure prior to Cure; provided, further, however, in the event of multiple Mortgagees, such Cure period as to any particular Mortgagee shall not be shortened or extended as a result of the giving of a notice to one or more other Mortgagees at an earlier or later date than the notice to the subject Mortgagee and no dispute of any nature between Mortgagees shall serve to toll or extend said cure period nor impose liability of any nature on any Party to resolve such dispute in connection with accepting Cure from any particular Mortgagee.

ARTICLE 7

AMENDMENT

Section 7.1 Method and Effect of Amendment. The Parties agree that the provisions of this Agreement may be modified or amended, in whole or in part, only by declaration in writing, executed and acknowledged by all of said Parties, and duly recorded in the Office of the Recorder in and for the County of Sacramento, State of California. Any amendment or modification hereof (including any extension and renewal hereof), whenever made, shall be superior to any and all liens, to the same extent as if such amendment or modification had been executed concurrently with this Agreement. In the event a Party has a Mortgage which requires the Mortgagee's consent to any amendment of this Agreement, and such Mortgagee has given notice of the existence of such Mortgage to all of the other Parties to this Agreement in accordance with Section 6.2, the Mortgagee's written consent to any proposed amendment must be obtained in order for such amendment to be effective as to such Mortgagee. Nothing contained herein precludes the making of any separate agreements between two or more Parties, provided that the Parties who are not parties to such separate agreements shall not be bound or affected thereby. Without limiting the generality of the foregoing, the Parties acknowledge

that City and Arena Co. and/or their Affiliates have entered into separate agreements, including but not limited to the Parking Management Agreement (as defined in the POMA) and the Arena Lease Agreement (which Parking Management Agreement and Arena Lease Agreement shall at all times be subordinate to this Agreement), and may in the future enter into separate agreements with each other and that such separate agreements may confer on the signatories to such separate agreements certain rights, as between such signatories, relating to the terms of this Agreement; provided however, that (a) such separate agreements shall not bind any other Parties to this Agreement or limit the obligations of City or Arena Co. to the other Parties to this Agreement, and (b) nothing in this Agreement shall limit the obligations of City and Arena Co. to each other under such separate agreements.

Section 7.2 Third-Party Beneficiary. Except for the provisions of Sections 6.2, 7.1 and 9.1, which are for the benefit of a Mortgagee, the provisions of this Agreement are for the exclusive benefit of the Parties and not for the benefit of any third Person, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any third Person. It is expressly understood and agreed that, except for the provisions of 6.2, 7.1 and 9.1, the Parties specifically intend that no other Person shall have any right to enforce any of the provisions of this Agreement.

ARTICLE 8

TERMINATION OF AGREEMENT

Section 8.1 Termination. Except as to any provisions of this Agreement which by their terms shall or may survive such date, this Agreement shall terminate sixty (60) years after the date this Agreement is recorded in the official records of Sacramento County, California, unless sooner terminated with respect to any given Tract under the provisions of Section 1.20.

ARTICLE 9

MISCELLANEOUS

Section 9.1 Breach Shall Not Defeat Mortgage. A breach of any of the easements, conditions, covenants, or restrictions of this Agreement shall not defeat or render invalid the lien of any Mortgage made in good faith and for value, but all such easements, conditions, covenants and restrictions shall be binding upon and effective against any Person who acquires title to said property or any portion thereof by foreclosure, deed in lieu of foreclosure, trustee's sale, power of sale or otherwise.

Section 9.2 Breach Shall Not Permit Termination. No breach of this Agreement shall entitle any Party to cancel, rescind or otherwise terminate this Agreement, but such limitation shall not affect, in any manner, any other right or remedies which the Parties may have by reason of any breach of this Agreement.

Section 9.3 Captions. The table of contents and the captions of the Sections and Articles of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation and construction.

Section 9.4 Consent. In any instance in which any Party to this Agreement shall be requested to consent to or approve of any matter with respect to which such Party's consent or approval is required by any of the provisions of this Agreement, such consent or approval, or disapproval, shall be given in writing, and such consent or approval shall not be unreasonably withheld or delayed, unless the provisions of this Agreement with respect to a particular consent or approval shall expressly provide that the same may be given or refused in the sole and absolute judgment or discretion of such Party. Requests for consent shall be subject to the provisions of Section 9.6.

Section 9.5 Joint Preparation. This Agreement is to be deemed to have been prepared jointly by the Parties. Any uncertainty or ambiguity regarding the provisions of this Agreement shall not be interpreted against any Party as the draftsman of the document, but shall be resolved by application of all other principles of law regarding interpretation of contracts.

Section 9.6 Exercise of Approval Rights.

A. Wherever in this Agreement approval or consent of any Party is required, and unless a different time limit is provided in this Agreement, such approval or disapproval shall be given within thirty (30) days following the receipt of the item to be so approved or disapproved, or the same shall be conclusively deemed to have been approved by such Party, subject to the provisions of this Section 9.6. Any disapproval shall specify with particularity the reasons therefor; provided, however, that wherever in this Agreement any Party is given the right to approve or disapprove in its sole and absolute judgment or discretion, such Party may disapprove without specifying a reason therefor and its disapproval shall not be subject to contest in any judicial, administrative, arbitration or other proceeding.

B. Wherever a period of time less than thirty (30) days is provided in this Agreement, such time limit shall not apply unless the notice to the Party whose approval or disapproval is required contains a correct statement of the period of time within which such Party must act. If the time specified in the notice is incorrectly set forth or omitted, the time limit shall be thirty (30) days unless a longer time period is specified in the Agreement, in which case the longer time period shall control. Failure to specify such time period shall not invalidate the notice but simply shall require the action of such Party within said thirty (30) day period or such longer period.

C. Any document submitted for the consent or approval of any Party shall contain a cover page prominently reciting verbatim the applicable Agreement provision involved and stating that the document, or the facts contained therein, shall be deemed approved or consented to by the recipient unless the recipient objects thereto within the required time period specified in such notice. Notwithstanding anything to the contrary in this Agreement, no recipient's approval of or consent to the subject matter of a notice shall be deemed to have been given by its failure to object thereto if such notice (or the accompanying cover letter) did not fully comply with the provisions of this Section 9.6.

D. Wherever in this Agreement provision is made for approval "by the Parties," such phrase shall require the approval of each of the Parties.

Section 9.7 Governing Laws. This Agreement shall be construed in accordance with the laws of the State of California.

Section 9.8 Injunctive Relief. In the event of any violation or threatened violation by any Person of any of the terms, restrictions, covenants and conditions of this Agreement, any of the Parties shall have the right to seek an injunction of such violation or threatened violation in a court of competent jurisdiction.

Section 9.9 No Partnership. Neither this Agreement nor any acts of the Parties shall be deemed or construed by the Parties to constitute an agreement to share profits and losses or to create the relationships of principal-agent, partnership, joint venture, or any association whatsoever between any of the Parties.

Section 9.10 Not a Public Dedication. Nothing in this Agreement shall be deemed to be a gift to the general public, or a dedication for any public purpose whatsoever, of any portion of the Project, it being the intention of the Parties that this Agreement shall be strictly limited to and for the purposes herein expressed.

Section 9.11 Payment on Default. If pursuant to this Agreement any Party (a) is compelled or elects to pay any sum of money or do any acts which require the payment of money by reason of any other Party's Default or (b) does not pay any other sum when due to any other Party pursuant to the terms and provisions of this Agreement, then the Defaulting Party shall, upon demand, promptly reimburse the paying Party all such sums together with simple interest thereon at the rate of one percent (1%) per annum over the then-existing annual Reference Rate charged by the Bank of America, National Trust and Savings Association, at Los Angeles, California, but in no event exceeding the maximum rate permitted by law, from either the date of expenditure when the event in subpart (a) shall have occurred or the due date of payment when the event in subpart (b) shall have occurred, until the date of such reimbursement by the Defaulting Party.

If the Defaulting Party shall not have made the requested repayment within ten (10) days after demand therefor, the paying Party (or Person to whom the amount is due) shall have the right to deduct the amount thereof, together with interest as aforesaid, without liability or forfeiture, from any sums then due or thereafter becoming due from the paying Party to the Defaulting Party.

A Party's deduction from any sums due or payable by it pursuant to the provisions of this Section 9.11 shall not constitute a Default in the payment thereof unless such Party fails to pay the amount of such deduction (with interest thereon at the rate provided above from the respective dates of deduction) to the Defaulting Party to whom the sum is owing within thirty (30) days after a final adjudication, if any, that such amount is owing. The option given in this Section 9.11 is for the sole protection of the paying Party (or Person to whom such sum is due) but shall not Release the Defaulting Party from its obligation to perform the terms, provisions, covenants and conditions nor deprive the paying Party (or Party to whom such sum is due) of any legal or equitable rights which it may have by reason of such Default.

Section 9.12 Severability. If any term, covenant, restriction or condition contained in this Agreement shall, to any extent, be invalid or unenforceable, the remainder of this Agreement (or the application of such term, covenant, restriction or condition to Persons or circumstances other than those with respect to which it is invalid or unenforceable), shall not be affected thereby. Each term, covenant, restriction and condition of this Agreement shall be valid and enforceable to the fullest extent

permitted by law, except those terms, covenants, restrictions or conditions which are expressly subject to or conditioned upon such invalid or unenforceable provisions.

Section 9.13 Successors. The provisions of this Agreement shall, except as otherwise provided herein, run with the land, both as respects benefits and burdens created herein.

Section 9.14 Time of Essence. Time is of the essence with respect to the performance of each of the terms, covenants, restrictions and conditions contained in this Agreement.

Section 9.15 Waiver of Default. A Party's waiver of another Party's Default must be made in writing, and no such waiver shall be implied from a Party's failure to take any action in respect of such Default if such Default continues or is repeated. No express waiver of any Default shall affect any Default, or cover any period of time, other than the precise Default and period of time specified in such express waiver. One or more waivers of any Default in the performance of any term, covenant, restriction or condition of this Agreement shall not be deemed to waive any subsequent Default. A Party's giving of its consent or approval to any act or request of another Party shall not be deemed to waive or render unnecessary the consenting/approving Party's consent to or approval of any subsequent similar acts or requests.

Section 9.16 Rights Cumulative. Except as limited by Sections 9.2 and 9.6, the rights and remedies of any Party under this Agreement shall be cumulative and not exclusive of any other rights or remedies at law or in equity of such Party. A Party's exercise of any given right or remedy shall not impair such Party's standing to exercise any other right or remedy.

Section 9.17 Counterparts. This Agreement may be signed in several counterparts, each of which shall be deemed an original, and all such counterparts taken together shall constitute one and the same instrument.

Section 9.18 Estoppel Certificates. Each Party hereby severally covenants that upon, at least thirty (30) days' prior request of any other Party, it will issue to such other Party, or to any prospective Mortgagee, or purchaser or lessee of all or a portion of such Party's Tract, an estoppel certificate stating: (i) whether the Party to whom the request has been directed knows of any default under the Agreement, and if there are known defaults, specifying the nature thereof; (ii) whether to its knowledge the Agreement has been assigned, modified or amended in any way (and if it has, then stating the nature thereof); and (iii) that to the Party's knowledge the Agreement as of that date is in full force and effect. Such certificate shall act as a waiver of any claim by the Party furnishing such certificate to the extent such claim is based upon facts which are contrary to those asserted in the certificate but only to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts to the contrary of those contained in the certificate and who has acted in reasonable reliance upon the certificate. Such certificate shall in no event subject the Party furnishing it to any liability whatsoever, notwithstanding the negligence or inadvertent failure of such Party to disclose correct or relevant information.

Section 9.19 After-Acquired Interests. If a Party does not have the right, title or interest to create the restrictions, enter into the covenants or make the grants of such Party hereunder as of the date this Agreement is recorded in the Official Records but later acquires such right, title or interest, this Agreement shall be effective as to the after-acquired right, title or interest as of the date such interest is

acquired by such Party as if the same was vested in such Party as of the date this Agreement was recorded in the Official Records.

ARTICLE 10

DEFINITIONS

As used in this Agreement, references to “Articles,” “Sections” and “Exhibits” are references to such portions of this Agreement. Listed below are all of the terms used in this Agreement with their particular meanings or with a reference to the portion of this Agreement where such definitions may be found. Unless otherwise denoted, a defined term shall include, where appropriate to the context, the noun (singular and plural), verb and adjective forms of the term.

Affiliate. An “**Affiliate**” shall mean a Person that Controls, is Controlled by or is under common ownership or Control with another Person.

Arena Co. Tract. See Recital J.

Automobile Parking Area. “**Automobile Parking Area**” shall mean those portions of the Garages and all driveways and ramps within the City Tract which lead to the Garages, available for the passage and parking of motor vehicles and all areas related thereto for the passage and accommodation of pedestrians, including the incidental and interior roadways, ramps, sidewalks, stairways, walkways, elevators, escalators, light standards, directional signs, landscape areas (if any), access roads, driveways and curbs within or adjacent to areas used for parking of motor vehicles.

Building. The term “**Building**” means all portions of the building(s) and improvements (including replacements, but excluding the Garages) that exist or are constructed from time to time within a Party’s Building Site.

Building Site. The term “**Building Site**” means each area where a Building may be constructed.

COMA. See Recital K.

Common Area. The term “**Common Area**” means all land and improvements located within the boundaries of the Project and available for the general use, convenience and benefit of all Permittees. Such Common Area shall include, but not be limited to, the Perimeter Sidewalks as shown on Exhibit B; Plaza Area; restrooms not located within space exclusively appropriated for use by any Occupant; stairways, escalators, elevators, ramps and walkways not located within a Party’s Building(s); and all Project identification signs; a Common Area maintenance office and equipment storage area. The Common Area does not include the Buildings or the Garages but does include certain portion(s) of the City Tract which lie outside of the Garages.

Common Utility Lines. See Section 1.1.

Control. “**Control**” shall mean the power, exercisable jointly or severally, to manage and direct a Person through the ownership of partnership interests or membership interests, corporate stock or voting rights.

Cure. When a Party is in Default, such Party and its Mortgagee under Section 6.2 shall be permitted a reasonable or otherwise specified amount of time within which to render remedial performance sufficient to correct said Default, which process shall be known as “**Cure.**” At its election, the Party serving a notice of Default may also serve a demand for Cure either contemporaneously with or subsequent to service of the notice of Default. The time for effecting Cure, unless otherwise specified in this Agreement, shall be thirty (30) days. Except as provided elsewhere in this Agreement to the contrary, where a Default is not capable of Cure within said thirty (30) days, a Defaulting Party (or its Mortgagee) shall be deemed to have Cured the Default if it shall have commenced Cure within the specified time period and shall have prosecuted the Cure continuously and diligently thereafter to completion; provided, however, that if any Cure shall reasonably require possession, a Mortgagee shall have the opportunity, and shall be deemed to be prosecuting the Cure continuously and diligently to completion, if it takes commercially reasonable steps to commence and diligently proceed with foreclosure prior to Cure (with allowance being given if and to the extent that a bankruptcy or similar filing shall have taken place).

Default. A “**Default**” is a Party’s breach of any of its covenants or obligations under this Agreement. A Default shall be deemed to have commenced upon another Party’s service of written notice thereof on the Defaulting Party. A notice of Default may be accompanied or followed by service of a demand for Cure of the Default. See definitions of “Cure” and “Excuse.”

Developer. “**Developer**” is SG Downtown LLC, a Delaware limited liability company, or any Transferee thereof satisfying the conditions of Sections 4.1 or 4.2; provided, however, if the then current Developer conveys less than all or substantially all of its interest in the Developer Project Tract to a Transferee, for purposes of this Agreement, the “Developer” as to each such Transferred portion of the Developer Project Tract shall be the then current owner of such Transferred portion of the Developer Project Tract. The Transferor or the Transferee shall provide notice within thirty (30) days following such Transfer to the other Parties.

Developer Improvements. The term “**Developer Improvements**” means the improvements located on the Developer Project Tract consisting of Plaza Area, the Developer Retail Buildings and the Developer Non-Retail Improvements (as defined in the COMA), as the same may exist from time to time, including any replacements thereof.

Developer Retail Buildings. The term “**Developer Retail Buildings**” means the buildings, exclusive of Common Area, located on the Developer Tract, as such buildings may exist from time to time, including any replacements thereof.

Developer Tract. See Recital D.

Discharge. The term “**Discharge**” refers to the full relief and exoneration from any personal liability or responsibility of a Transferor, Mortgagor, Mortgagee or Party for performance of all easements, covenants and obligations accruing and arising under this Agreement from and after the effective date of the following: with respect to a Transferor, a Transfer; with respect to a Mortgagor, an Involuntary Transfer; with respect to a Mortgagee, a Transfer by such Mortgagee after acquiring title to a Tract (or portion thereof) in an Involuntary Transfer.

Excuse. An event of force majeure under Article 3 that interferes with a Party's ability to perform its obligations under this Agreement, or the Default of another Party, may temporarily relieve ("**Excuse**") a Party's performance of a specified covenant or obligation under this Agreement for so long as such force majeure continues or such Defaulting Party has not Cured its Default. See definitions of "Cure" and "Default".

Garage(s), Garage G, Garage K and Garage U. Such terms refer to any of those certain parking structures that the City owns or will own on the City Tract and are designated on Exhibit B of the COMA as "Garage G," "Garage K" or "Garage U."

Garage Structural Members. See Section 1.9(i).

Grantee and Grantor. See Section 1.1.

Indemnify. The term "**Indemnify**" means indemnify, protect and defend, with counsel approved by Indemnitee on thirty (30) days' notice in accordance with Section 9.6.C, the Indemnitee and its Affiliates and their respective officers, directors, partners, members, shareholders, agents, servants and employees from and against all loss, claims, actions, proceedings, liability, damages, cost or expense (including, but not limited to, Indemnitee's reasonable attorney fees) resulting from the death of any Person or the injury or damage to any Person or any property occurring in, on or about a specified location in the Project and arising out of the Indemnitor's specified duties or conduct. "Indemnify" shall include the requirement that the Indemnitee give the Indemnitor notice of any circumstances actually known to Indemnitee entitling the Indemnitee to indemnity pursuant to this Agreement. However, if timely notice is not given, the Indemnitor shall be Excused from its obligation to Indemnify only to the extent timely notice would have allowed the Indemnitor to avoid additional liability. No Party shall be obligated to Indemnify another Party where the claim or loss underlying Indemnitee's request for indemnity (a) was caused by the active negligence of Indemnitee, or (b) was caused by such willful, intentional or wanton act or omission of Indemnitee as shall constitute an "occurrence" excluded from coverage under standard California commercial general liability and property damage insurance policies as they may exist from time to time. Notwithstanding the foregoing, such indemnities hereunder shall not include consequential or punitive damages.

Involuntary Transfer. See "**Transfer.**"

Macy Building. See Recital H.

Macy Tract. See Recital G.

Mortgage; Mortgagor; Mortgagee; Sale Leaseback. The term "**Mortgage**" means an indenture of mortgage, a deed of trust on a Tract, or a Sale and Leaseback of the entire interest of a Party ("**Mortgagor**") in its Tract. "**Mortgagee**" means (a) the trustee and beneficiary or mortgagee under a Mortgage or (b) the fee owner or lessor following a Sale and Leaseback, provided said Persons are not in possession of the Tract of any Party. A "**Sale and Leaseback**" means a transaction in which (a) a Party, who is the fee owner of its Tract, conveys the fee or a leasehold estate in such Tract and immediately thereafter the Party, its Affiliate or the guarantor of such Party's covenants, agreements and obligations under this Agreement, leases or subleases the Tract, or (b) a Party, who holds a leasehold estate in its Tract, assigns said estate or subleases the Tract and immediately thereafter the

Party, its affiliate or the guarantor of such Party's covenants, Agreements and obligations under this Agreement subleases the Tract.

Occupant. The term "**Occupant**" means the Developer, Arena Co., Macy and any Person (including City) from time to time entitled to use and occupy space in the Project under any lease, deed or other instrument or arrangement.

Official Records. The term "**Official Records**" shall mean the Official Records of the office of the County Recorder of Sacramento County.

Party. The term "**Party**" means any of the following: Developer, City, Macy, Arena Co. and any of their respective Transferees, subject to the provisions of this definition with respect to Transfers of partial interests in a Tract. A Mortgagee shall not be deemed to be the Party with respect to a Tract so long as the Mortgagor, who is the Party, retains the entire possessory interest in the Tract. The Mortgagee shall become the Party following an Involuntary Transfer. See definition of "Transfer; Involuntary Transfer."

The Parties hereby acknowledge that the City owns fee title not only to the City Tract but also to the Arena Co. Tract and therefore has a current interest in this Agreement not only to the City Tract but also to the Arena Co. Tract. Although City is a Party not only to the City Tract but also to the Arena Co. Tract, it shall be entitled only to such rights and be subject only to such obligations as to the Arena Co. Tract to the extent City is expressly allocated rights or obligations under this Agreement or the Parties generally (as distinguished from specific Parties) are allocated rights or obligations under this Agreement, until such time as City succeeds to the rights and obligations of Arena Co. as to the Arena Co. Tract as set forth in clause (2) of the next sentence. City specifically, by executing this Agreement, hereby (1) subjects its fee interest in the Arena Co. Tract and the Sliver to this Agreement, joins in the granting of all easements granted by Arena Co. and acknowledges and agrees that all such easements granted by Arena Co. shall be binding upon and effective against City upon the expiration or earlier termination of the Arena Lease Agreement; and (2) agrees to be the successor to Arena Co. under this Agreement as to the Arena Co. Tract after the expiration or earlier termination of the Arena Lease Agreement (unless Arena Co. exercises an option to purchase the Arena Co. Tract).

A Transferee of any of the following partial interests shall be treated, together with all similar Transferees, as a single Party with respect to the Tract:

A. Any partial, undivided interest in a Party's Tract; provided, however, that the Transfer of a legally subdivided portion of a Party's Tract shall create a new Party and a permitted Transferee;

B. Any partial, undivided interest in all of a Party's Tract or Tracts, such as may be held by joint tenancy or tenancy-in-common or as a life estate, but not including a partnership interest in a partnership (or a membership interest in a limited liability company) holding all of the interests in such Tract; or

C. Any partial, undivided interest, legal or equitable, in the assets of any Party that is a Person other than an individual, which interest is not an interest in the Party's Tract, such as a beneficial interest in a Party which is a trust.

Where any Transfer of partial, undivided interests occurs as described in Subparagraphs A, B or C, the Persons owning not less than seventy percent (70%) of the Tract or Tracts, or seventy percent (70%) of the shares of the entire estate in the Tract or Tracts, or seventy percent (70%) of the Party's assets not constituting an interest in the Tract or Tracts, shall designate one of their number as such Party's agent (called "**Party's Agent**" for purposes of this definition of "**Party**") to act on behalf of all Persons holding such interests, shares or assets so that other Parties shall not be required with respect to said Tract or Tracts to obtain the action or agreement of, or to proceed against, more than one individual or entity in carrying out or enforcing the terms, covenants, provisions and conditions of this Agreement. Such designation shall not be effective until such time as written notice of the designation is recorded in the office of the county recorder of the county and state in which said Tract or Tracts are located and a copy thereof given to the Parties as required by Section 6.1. Any interest owned by any Person who is a minor or is otherwise suffering under any legal disability shall be disregarded in the making of such designation unless there is at such time a duly appointed guardian or other legal representative fully empowered to act on behalf of such Person. The foregoing requirements to designate a Party's Agent shall not apply to stockholders and bondholders of a corporate Party. In the case of an estate for life or years, only the life tenant or tenant for years shall, for purposes of this definition, be deemed to own the interest in the Tract or Tracts and his or her determination hereunder shall be final and binding on the remaindermen and, if created by way of trust, final and binding on such trust, trustor, trustee and beneficiaries. Where the circumstances described in Subparagraph C arise, the Person owning each such interest shall nevertheless be deemed to own a percentage interest of the whole of the Tract or Tracts, or portion thereof, as the case may be, which percentage shall be equal to the percentage interest of such Person in the entity or entities comprising the Party.

Where the Transfer is of partial interests as described above but the Persons owning such partial interests fail to designate the Party's Agent, the acts of the Person who was the Party prior to the Transfer (whether or not such Party retains any interest in the Tract or Tracts in question) shall be binding on all Persons having an interest or right in said Tract or Tracts, until such time as the Party's Agent is designated as provided above. Where the circumstances requiring designation of a Party's Agent arise, all of the other Parties acting jointly or, failing such joint action, any other Party at any time may designate another Party's Agent if any of the following conditions exist:

D. At any time after any designation of a Party's Agent, there shall for any reason be no duly designated Party's Agent of whose appointment all other Parties have been notified;

E. Within thirty (30) days after any other Party shall become aware of any change in the ownership of any portion of the Project or any change in the structure of a Party, no Party's Agent has been designated or notice of such designation (or of such change, if no partial interests have been Transferred) has not been given; or

F. The designation of such Party's Agent earlier than the expiration of the thirty (30) day period described in Subparagraph E above shall be reasonably necessary to enable any other Party to comply with any of its obligations under this Agreement or to take any other action which may be necessary to carry out the purposes of this Agreement.

The exercise of any powers and rights of a Party under this Agreement by such Party's Agent shall be binding upon all Persons having an interest or right in the Party's Tract and upon all Persons

having an interest in the Party in question, to the same extent as if such exercise had been performed by the Party. The other Parties shall have the right to deal with and rely solely upon the acts and omissions of such Party's Agent in connection with their performance of this Agreement, but such designation of a Party's Agent shall not relieve any Party from its obligations under this Agreement.

A Party's Agent shall be the authorized agent of its principals for service of any demand for any process, writ, summons, order or other mandate of any nature of any court in any action, suit or proceeding arising out of this Agreement. Service upon such Party's Agent shall constitute due and proper service of any such matter upon its principals. Until a successor Party's Agent has been appointed and notice of such appointment has been given pursuant to the provisions of this definition, the designation of a Party's Agent shall remain irrevocable.

Perimeter Sidewalks. The term "**Perimeter Sidewalks**" means those areas on the Developer, Macy and Arena Co. Tracts adjacent to the Party's Building between exterior building faces (other than those facing Common Area) and exterior curb faces as shown on Exhibit B, including sidewalks, curbs, landscaping and all other improvements.

Permittee. The term "**Permittee**" means any Occupant and its respective officers, directors, employees, agents, contractors, customers, visitors, invitees, licensees and concessionaires.

Person. The term "**Person**" means an individual, partnership, limited liability company, firm, association and corporation, or any other form of business or government entity.

Plaza Area. The term "**Plaza Area**" means all of those improvements existing from time to time that are available for the general use, convenience and benefit of Permittees, all of which constitute the two-level, open-air shopping Plaza Area which is designated as such on Exhibit B. The Plaza Area includes the following improvements and facilities that are located in the Developer Retail Improvements but are not located within any Building: public restrooms; a Plaza Area maintenance office and equipment storage area.

POMA. See Recital K.

Project. See Recital L.

Public Pedestrian Access Easement. See Section 1.3.

Public Pedestrian Access Easement Area. See Section 1.3.

Separate Utility Lines. See Section 1.1.

Termination Date. The term "**Termination Date**" means the date, as to each Tract, on which this Agreement shall terminate in whole or in part, pursuant to the terms and provisions of Article 8.

Terms: City, Macy and Arena Co. The term "**City**" means the City of Sacramento, a municipal corporation of the State of California, or any Transferee thereof. The term "**Macy**" means Macy's West Stores, Inc., an Ohio corporation, or any Transferee thereof. The term "**Arena Co.**" means Sacramento Downtown Arena LLC, a Delaware limited liability company, or any Transferee of Arena Co.'s interest in the Arena Co. Tract. The conditions, covenants and restrictions of this

Agreement shall be binding upon and enforceable by such Persons only during and with respect to the time periods in which each, respectively (either alone or in conjunction with other Persons), is a Party.

Top Deck. See Section 1.9(i).

Tract. The term “**Tract**” means the “Developer Project Tract,” “City Tract,” “Macy Tract” or “Arena Co. Tract,” including all improvements whenever constructed thereon, as defined in Recitals D, I, G and J, respectively.

Transfer: Involuntary Transfer. A “**Transfer**” is any voluntary transaction in which a Person, including an Involuntary Transferee (see below) (“**Transferor**”), shall sell, lease, transfer or assign, other than for security purposes, all or substantially all of its interests in its Tract together with all of its rights under this Agreement to a Person or Persons (“**Transferee**”) who shall expressly assume, by duly-executed and acknowledged written instrument in recordable form served on all Parties in accordance with Section 6.1, all of Transferor’s covenants, duties and obligations under this Agreement. A Transfer shall be deemed to have occurred with any change of “Control” of a Party. A Transfer shall also include an expiration or cancellation of a lease.

An “**Involuntary Transfer**” is the conveyance or reversion of title to a Tract (or portion thereof) from a Mortgagor (“**Involuntary Transferor**”) to such Party’s Mortgagee, receiver, purchaser at foreclosure or such Party’s landlord (“**Involuntary Transferee**”) resulting from any of the following: judicial or nonjudicial foreclosure of the Mortgage; grant of a deed in lieu of such foreclosure; expiration, termination or surrender of a leaseback in a Sale and Leaseback (see “**Mortgage**”); or the termination of a lease due to the tenant’s default thereunder; provided, however, in the event of such an Involuntary Transfer, the Involuntary Transferor shall be deemed to have assigned all of its rights, powers, title and interest in its Tract and this Agreement to the Involuntary Transferee who shall be deemed to have assumed all of the Involuntary Transferor’s covenants and obligations thereunder accruing from and after the Involuntary Transfer.

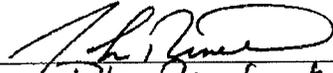
Utility Lines. See Section 1.14.

[SIGNATURES ARE ON NEXT PAGE]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the day and year first above written.

“Developer”

SG DOWNTOWN LLC,
a Delaware limited liability company

By: 
Name: John Rinehart
Title: CFO

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

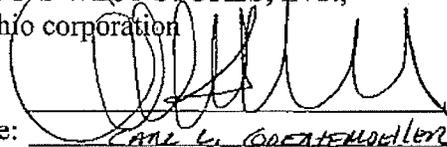
"Macy"

MACY'S WEST STORES, INC.,
an Ohio corporation

By:

Name:

Title:



CARL W. GOETSCHEWITZ

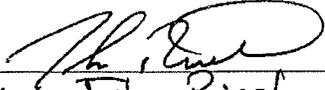
SR. VICE PRESIDENT

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“Arena Co.”

SACRAMENTO DOWNTOWN ARENA
LLC,
a Delaware limited liability company

By: Sacramento Basketball Holdings LLC,
a Delaware limited liability company,
Its Sole Member

By: 
Name: John Rinehart
Title: CEO

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“City”

THE CITY OF SACRAMENTO,
a municipal corporation of the State of California

By: _____
Name: _____
Title: _____

[END OF SIGNATURES]

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

STATE OF OHIO)

COUNTY OF HAMILTON)

On JULY 11, 2014, before me, GARY A. WEBB, a Notary Public, personally appeared CARL L. GOENTE NOELKE, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Notary Public

GARY A. WEBB, Attorney
NOTARY PUBLIC - STATE OF OHIO
My Commission Has No Expiration Date
Section 149.03 R.C.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

EXHIBIT A

[see attached]

EXHIBIT A

PART 1A

Lots 2,3,4,5,6,7,11,12,15,16,17,18,20,21,25,26,27,28,29,30,31,32,33,34,37,38,39,40,42, 43,44,45,47, 48, and 49 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

At such time as any of the Lots referenced above are: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the Developer Tract shall be deemed modified to reflect such the lot lines shown on the final map.

PART 1B

DEVELOPER ADJACENT PROPERTY

Lots 8,9,10,13,14,19,35,36,41,46,50,51,52 and 53 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

At such time as any of the Lots referenced above are: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the Developer Adjacent Property shall be deemed modified to reflect such the lot lines shown on the final map.

PART 1C

GROUND LEASED TRACT

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

ALL THAT CERTAIN PROPERTY AND SPACE CONTAINED WITHIN PARCEL NO. 1, AS SAID PARCEL IS SHOWN ON THAT CERTAIN AMENDED PARCEL MAP ENTITLED "PORTION OF BLOCK BOUNDED BY 5TH STREET, 6TH STREET, "K" STREET AND "L" STREET AND PORTION OF 5TH STREET, AS SAID BLOCKS AND STREETS ARE SHOWN ON THAT CERTAIN RECORD OF SURVEY ENTITLED "CERTAIN BLOCKS IN AREA BOUNDED BY 'J' AND 'N' STREETS, 2ND AND 8TH STREETS, CITY OF SACRAMENTO", RECORDED IN BOOK 18 OF SURVEYS, MAP NO. 2, SACRAMENTO COUNTY RECORDS, SAID AMENDED PARCEL MAP BEING RECORDED June 19, 1967, IN THE OFFICE OF THE RECORDER OF SACRAMENTO COUNTY IN BOOK 1 OF PARCEL MAPS, AT PAGE 55.

ASSESSOR'S PARCEL NUMBER: 006-0087-061-0000

PART 2

MACY TRACT

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF AND IS DESCRIBED AS FOLLOWS:

All that certain real property lying in or about the block bounded by K, L, 4th and 5th Streets, according to the official Map or Plat of the City of Sacramento, and as specifically on that Record of Survey entitled "Certain Blocks in the Area Bounded by J and P Streets, 3rd and 8th Streets, City of Sacramento, " recorded in the office of the Recorder of Sacramento County, in Book 13 of Surveys, Map No. 18, more particularly described as follows:

BEGINNING at the point of intersection of the northerly line of L Street with the westerly line of 5th Street, said point of beginning being further described as being located North 18° 29' 20" East 40.00 feet and North 71° 37' 21" West 40.00 feet from an aluminum disc set in concrete stamped L.S. 2651-1958, said monument marking the point of intersection of the centerline of said L street with the centerline of said 5th Street; thence from said point of beginning along the westerly line of said 5th Street, North 18° 29' 20" East 356.23 feet; thence along a line parallel to and 15.00 feet northerly from the southerly line of said K Street North 71° 36' 57" West 331.44 feet; thence along a line parallel with and 10.00 feet westerly from the easterly line of said 4th Street South 18° 28' 20" West 356.27 feet to the westerly projection of the northerly line of said L Street; thence along the westerly projection of and the northerly line of said L Street, South 71° 37' 21" East 331.34 feet to the point of beginning.

APN: 006-0087-046-0000

PART 3

CITY TRACT

PART 3A

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

All that portion of Parcel B as shown on the Parcel Map entitled "Portion of Block Bounded by 3rd, 5th, J & L Streets", filed in the office of the Recorder of Sacramento County, California, on October 26, 1977, in Book 35 of Parcel Maps, Map No. 34, described as follows:

Beginning at the most Southerly corner of Parcel B; thence from said point of beginning, along the boundary of said Parcel B, the following six (6) courses and distances: (1) North 71° 35' 22" West 391.02 feet; (2) North 18° 28' 35" East 455.27 feet; (3) South 71° 37' 09" East 320.96 feet; (4) North 18° 28' 07" East 137.32 feet; (5) South 71° 36' 35" East 40.00 feet; (6) South 71° 30' 59" East 24 feet; thence South 18° 28' 07" West 59.12 feet; thence North 71° 31' 53" West 9.00 feet; thence South 18° 28' 07" West 99.58 feet; thence North 71° 31' 53" West 8.00 feet; South 18° 28' 07" West 46.25 feet; South 26° 31' 53" East 30.14 feet; thence South 71° 37' 08" East 1.67 feet to the boundary of Parcel B; thence along said boundary South 18° 28' 06" West 356.47 feet to the point of beginning.

EXCEPTING THEREFROM all that portion of Lot G, as described in that certain Corporation Grant Deed filed in Book 901219, Official Records, Page 703 in the office of the Recorder of said County, being also a portion of Parcel B, as shown on that certain Parcel Map "Portion of Block Bounded by 3rd, 5th, J & L Street" in Book 35, of Maps, Map 34 in the office of the Recorder of said County, described as follows:

Beginning at a point on the easterly line of said Lot G which bears from the southwest corner of said Lot G, North 18°28'35" East, 288.02 feet along the westerly line of said Lot G being also the easterly line of 3rd Street; thence from said Point of Beginning continuing along said easterly line of 3rd Street, North 18°28'35" East, 65.00 feet; thence South 71°37'09" East, 320.96 feet to the westerly line of 4th Street; thence along said westerly line of 4th Street, South 18°28'35" West, 65.00 feet; thence North 71°37'09" West, 320.96 feet to the Point of Beginning

APN: 006-0087-051, 006-0087-055

PART 3B

Lot 22 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

In the event that the Lot referenced above is: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the City Tract shall be deemed modified to reflect such the lot lines shown on the final map.

PART 3C

Lots 23 and 24 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

In the event that any of the Lots referenced above are: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the City Tract shall be deemed modified to reflect such the lot lines shown on the final map.

PART 4

ARENA CO TRACT

All that certain real property situate in the City of Sacramento, County of Sacramento and State of California described as follows:

Being all of Lot 1 as said lot is shown and delineated on that certain Parcel Map recorded _____, 2014 in Book _____ of Maps at Page _____, Sacramento County Official Records.

PART 5

SG TRACT

All that certain real property situate in the City of Sacramento, County of Sacramento and State of California described as follows:

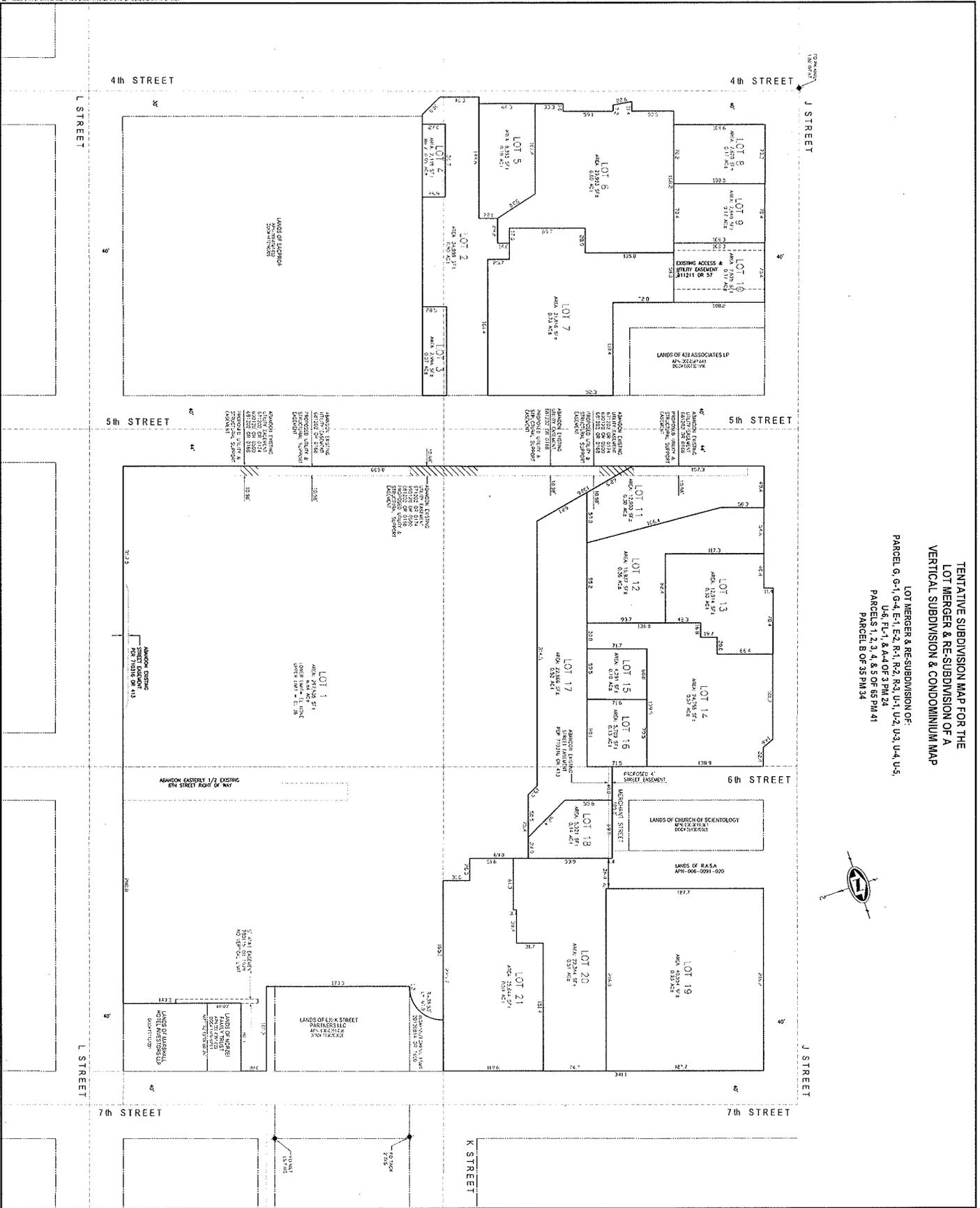
Being all of Lot 1 as said lot is shown and delineated on that certain Parcel Map recorded _____, 2014 in Book _____ of Maps at Page _____, Sacramento County Official Records, but excepting therefrom those portions of Lot 1 that are as of the date hereof (a) owned by the Redevelopment Agency Successor Agency, (b) owned by the City, or (c) on or over which the City has a right of possession.

TENTATIVE MAP PAGES 4-8

LOT PLAN

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 U.S. PL-1, & A-4 OF 3 PM 24
 PARCELS 1, 2, 3, 4, & 5 OF 35 PM 41
 PARCEL 6 OF 35 PM 34



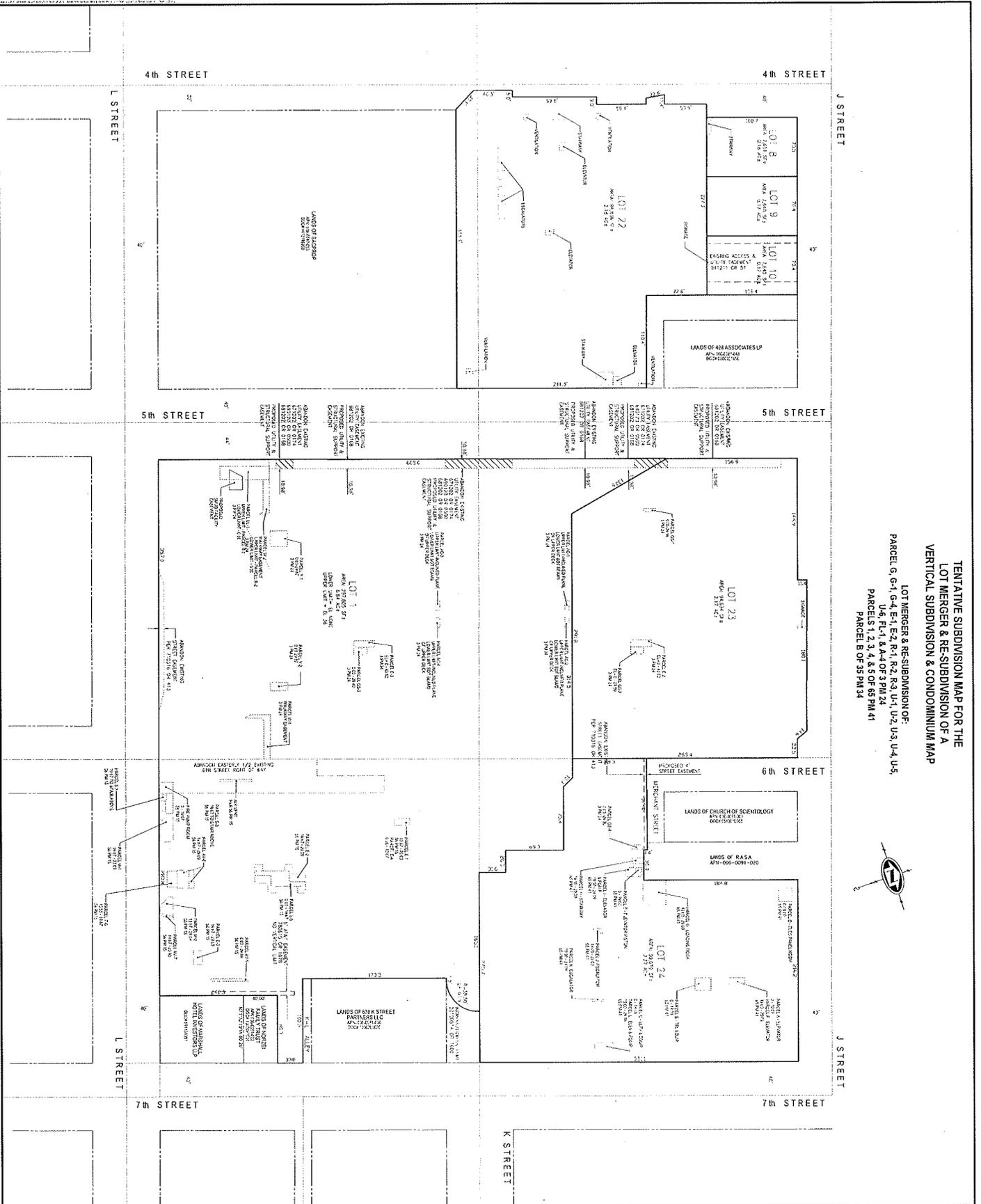
mpt
 MORTON & PITALO, INC.
 CONSULTING ARCHITECTS & ENGINEERS
 1000 N. G ST. SUITE 100
 SACRAMENTO, CA 95811
 TEL: (916) 441-1111
 FAX: (916) 441-1112

TENTATIVE MAP
 SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT
 SUBDIVISION 24

NO.	DATE	DESCRIPTION
1	2 AUGUST 2011	PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
2	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
3	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
4	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
5	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
6	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
7	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
8	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
9	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
10	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
11	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
12	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
13	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
14	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
15	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
16	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
17	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
18	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
19	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
20	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2
21	11 SEPTEMBER 2011	REVISIONS TO PHASED TENTATIVE SUBDIVISION MAP BELOW ELEVATION 2

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E-1, E-2, R-1, R-2, R-3, U-1, U-2, U-3, U-4, U-5,
 U-6, FL-1, & A-4 OF 3 PM 24
 PARCELS 1, 2, 3, 4, & 5 OF 3 PM 41
 PARCEL B OF 35 PM 34



mp
 MORTON & PITALO, INC.
 LANDMARK ARCHITECTURAL PARTNERSHIP
 1000 N. 10TH STREET, SUITE 100
 SACRAMENTO, CA 95811
 TEL: 916.441.1111 FAX: 916.441.1112
 WWW.MORTONANDPITALO.COM

1. PREPARED BY: MORTON & PITALO, INC.
2. DATE: 11/11/11
3. PROJECT: LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP
4. SHEET: 5 OF 5
5. DRAWN BY: MORTON & PITALO, INC.
6. CHECKED BY: MORTON & PITALO, INC.
7. SCALE: AS SHOWN
8. NOTES: SEE SHEET 1 FOR GENERAL NOTES

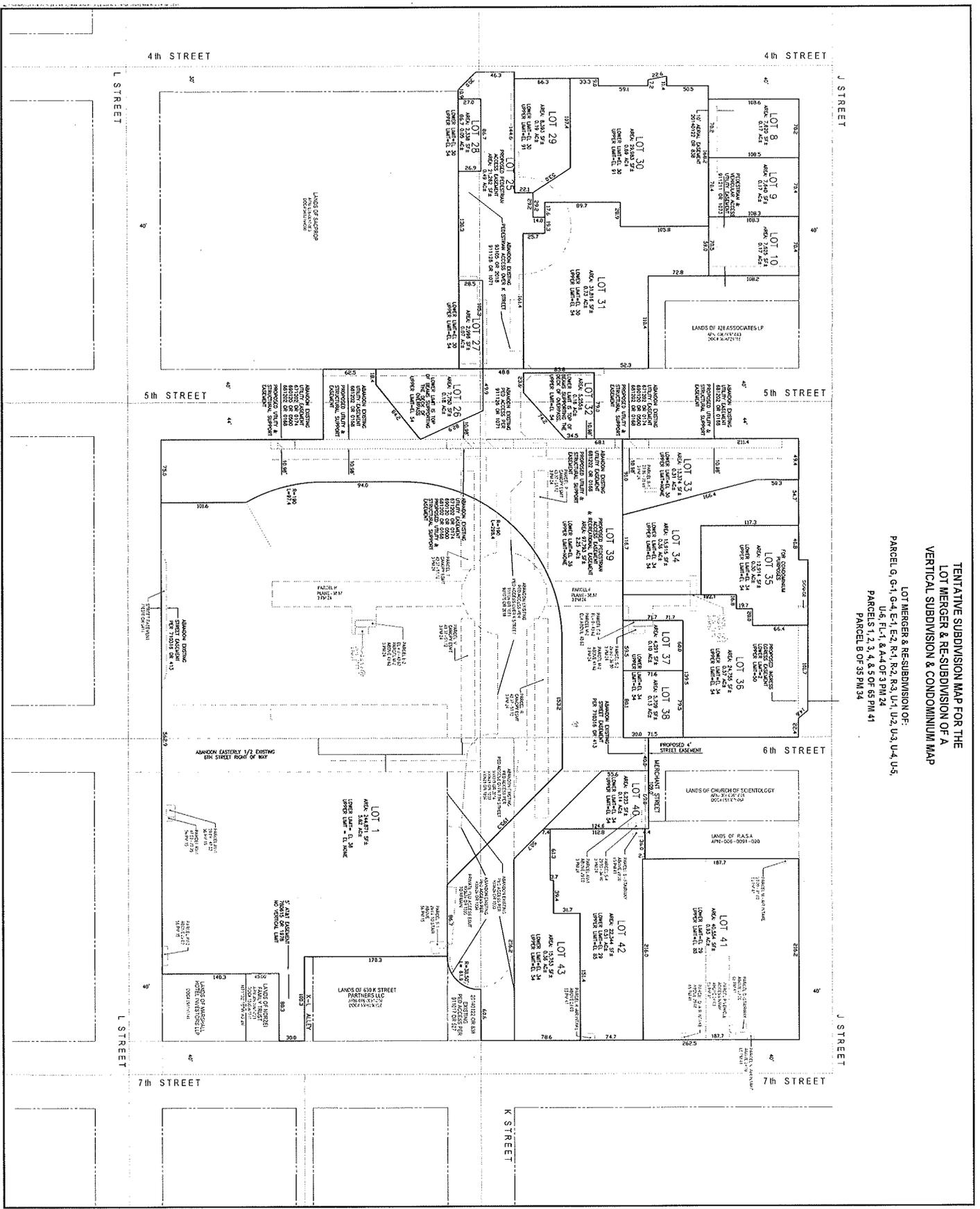
TENTATIVE MAP
 SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT
 SACRAMENTO, CA

PHASED TENTATIVE
 SUBDIVISION MAP
 ELEVATION 2' TO 31"

DATE: 21 MARCH 2012
 SHEET: 5
 SCALE: 1" = 100'

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E-1, E-2, R-1, R-2, R-3, U-1, U-2, U-3, U-4, U-5,
 PARCELS 11, 2, 3, 4, 5 OF PH 34
 PARCEL B OF PH 34



DATE: 11/11/2014 10:54:00 AM

RELATIVE MAP

SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT
 SACRAMENTO, CA

PROJECT:

PHASED TENTATIVE
 SUBDIVISION MAP
 ELEVATION 31-54

DATE: 21 MARCH 2014

BY: [Signature]

SCALE: 1" = 40'

PROJECT NO: 1454-040

1. 1/11/14 FROM THE BOARD SUPERVISORS

2. 1/11/14 FROM THE BOARD SUPERVISORS

3. 1/11/14 FROM THE BOARD SUPERVISORS

4. 1/11/14 FROM THE BOARD SUPERVISORS

5. 1/11/14 FROM THE BOARD SUPERVISORS

6. 1/11/14 FROM THE BOARD SUPERVISORS

7. 1/11/14 FROM THE BOARD SUPERVISORS

8. 1/11/14 FROM THE BOARD SUPERVISORS

9. 1/11/14 FROM THE BOARD SUPERVISORS

10. 1/11/14 FROM THE BOARD SUPERVISORS

11. 1/11/14 FROM THE BOARD SUPERVISORS

12. 1/11/14 FROM THE BOARD SUPERVISORS

13. 1/11/14 FROM THE BOARD SUPERVISORS

14. 1/11/14 FROM THE BOARD SUPERVISORS

15. 1/11/14 FROM THE BOARD SUPERVISORS

16. 1/11/14 FROM THE BOARD SUPERVISORS

17. 1/11/14 FROM THE BOARD SUPERVISORS

18. 1/11/14 FROM THE BOARD SUPERVISORS

19. 1/11/14 FROM THE BOARD SUPERVISORS

20. 1/11/14 FROM THE BOARD SUPERVISORS

21. 1/11/14 FROM THE BOARD SUPERVISORS

22. 1/11/14 FROM THE BOARD SUPERVISORS

23. 1/11/14 FROM THE BOARD SUPERVISORS

24. 1/11/14 FROM THE BOARD SUPERVISORS

25. 1/11/14 FROM THE BOARD SUPERVISORS

26. 1/11/14 FROM THE BOARD SUPERVISORS

27. 1/11/14 FROM THE BOARD SUPERVISORS

28. 1/11/14 FROM THE BOARD SUPERVISORS

29. 1/11/14 FROM THE BOARD SUPERVISORS

30. 1/11/14 FROM THE BOARD SUPERVISORS

31. 1/11/14 FROM THE BOARD SUPERVISORS

32. 1/11/14 FROM THE BOARD SUPERVISORS

33. 1/11/14 FROM THE BOARD SUPERVISORS

34. 1/11/14 FROM THE BOARD SUPERVISORS

35. 1/11/14 FROM THE BOARD SUPERVISORS

36. 1/11/14 FROM THE BOARD SUPERVISORS

37. 1/11/14 FROM THE BOARD SUPERVISORS

38. 1/11/14 FROM THE BOARD SUPERVISORS

39. 1/11/14 FROM THE BOARD SUPERVISORS

40. 1/11/14 FROM THE BOARD SUPERVISORS

41. 1/11/14 FROM THE BOARD SUPERVISORS

42. 1/11/14 FROM THE BOARD SUPERVISORS

43. 1/11/14 FROM THE BOARD SUPERVISORS

44. 1/11/14 FROM THE BOARD SUPERVISORS

45. 1/11/14 FROM THE BOARD SUPERVISORS

46. 1/11/14 FROM THE BOARD SUPERVISORS

47. 1/11/14 FROM THE BOARD SUPERVISORS

48. 1/11/14 FROM THE BOARD SUPERVISORS

49. 1/11/14 FROM THE BOARD SUPERVISORS

50. 1/11/14 FROM THE BOARD SUPERVISORS

51. 1/11/14 FROM THE BOARD SUPERVISORS

52. 1/11/14 FROM THE BOARD SUPERVISORS

53. 1/11/14 FROM THE BOARD SUPERVISORS

54. 1/11/14 FROM THE BOARD SUPERVISORS

55. 1/11/14 FROM THE BOARD SUPERVISORS

56. 1/11/14 FROM THE BOARD SUPERVISORS

57. 1/11/14 FROM THE BOARD SUPERVISORS

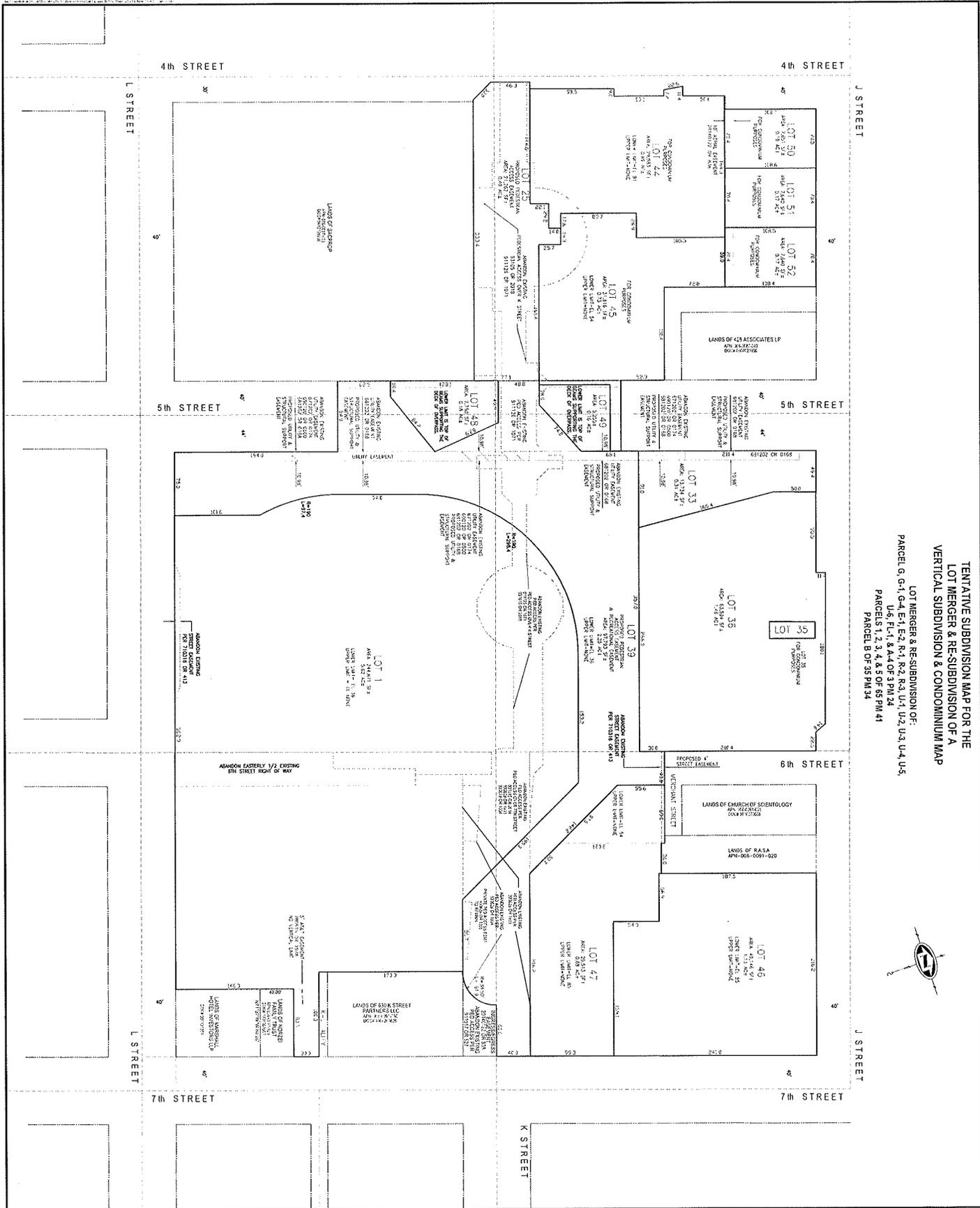
58. 1/11/14 FROM THE BOARD SUPERVISORS

59. 1/11/14 FROM THE BOARD SUPERVISORS

60. 1/11/14 FROM THE BOARD SUPERVISORS

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 U.S. F-1, E-1, E-2, R-1, R-2, R-3, U-1, U-2, U-3, U-4, U-5
 PARCELS 1, 2, 3, 4, & 5 OF 3M 24
 PARCEL B OF 3M 34



mp
 HORTON & PITALO, INC.
 CONSULTING ENGINEERS
 1000 EAST 10TH AVENUE, SUITE 100
 DENVER, COLORADO 80202
 TEL: 303.733.1100
 FAX: 303.733.1101
 WWW.HORTONANDPITALO.COM

TENTATIVE MAP
 SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT
 SACRAMENTO, CA

PHASED TENTATIVE
 SUBDIVISION MAP
 ELEVATION 54' TO 139'

DATE: 21 MARCH 2012
 SHEET: 7
 OF: 7
 DRAWN BY: H. H. H.
 CHECKED BY: J. H. H.

1. DIVISION OF LAND INTO LOTS
 2. DIVISION OF LAND INTO BLOCKS
 3. DIVISION OF LAND INTO SECTIONS
 4. DIVISION OF LAND INTO SUBDIVISIONS
 5. DIVISION OF LAND INTO DISTRICTS
 6. DIVISION OF LAND INTO CITIES
 7. DIVISION OF LAND INTO COUNTIES
 8. DIVISION OF LAND INTO STATES
 9. DIVISION OF LAND INTO COUNTRIES

1. LOT 1
 2. LOT 2
 3. LOT 3
 4. LOT 4
 5. LOT 5
 6. LOT 6
 7. LOT 7
 8. LOT 8
 9. LOT 9
 10. LOT 10

1. LOT 11
 2. LOT 12
 3. LOT 13
 4. LOT 14
 5. LOT 15
 6. LOT 16
 7. LOT 17
 8. LOT 18
 9. LOT 19
 10. LOT 20

1. LOT 21
 2. LOT 22
 3. LOT 23
 4. LOT 24
 5. LOT 25
 6. LOT 26
 7. LOT 27
 8. LOT 28
 9. LOT 29
 10. LOT 30

1. LOT 31
 2. LOT 32
 3. LOT 33
 4. LOT 34
 5. LOT 35
 6. LOT 36
 7. LOT 37
 8. LOT 38
 9. LOT 39
 10. LOT 40

1. LOT 41
 2. LOT 42
 3. LOT 43
 4. LOT 44
 5. LOT 45
 6. LOT 46
 7. LOT 47
 8. LOT 48
 9. LOT 49
 10. LOT 50

1. LOT 51
 2. LOT 52
 3. LOT 53
 4. LOT 54
 5. LOT 55
 6. LOT 56
 7. LOT 57
 8. LOT 58
 9. LOT 59
 10. LOT 60

1. LOT 61
 2. LOT 62
 3. LOT 63
 4. LOT 64
 5. LOT 65
 6. LOT 66
 7. LOT 67
 8. LOT 68
 9. LOT 69
 10. LOT 70

1. LOT 71
 2. LOT 72
 3. LOT 73
 4. LOT 74
 5. LOT 75
 6. LOT 76
 7. LOT 77
 8. LOT 78
 9. LOT 79
 10. LOT 80

1. LOT 81
 2. LOT 82
 3. LOT 83
 4. LOT 84
 5. LOT 85
 6. LOT 86
 7. LOT 87
 8. LOT 88
 9. LOT 89
 10. LOT 90

1. LOT 91
 2. LOT 92
 3. LOT 93
 4. LOT 94
 5. LOT 95
 6. LOT 96
 7. LOT 97
 8. LOT 98
 9. LOT 99
 10. LOT 100

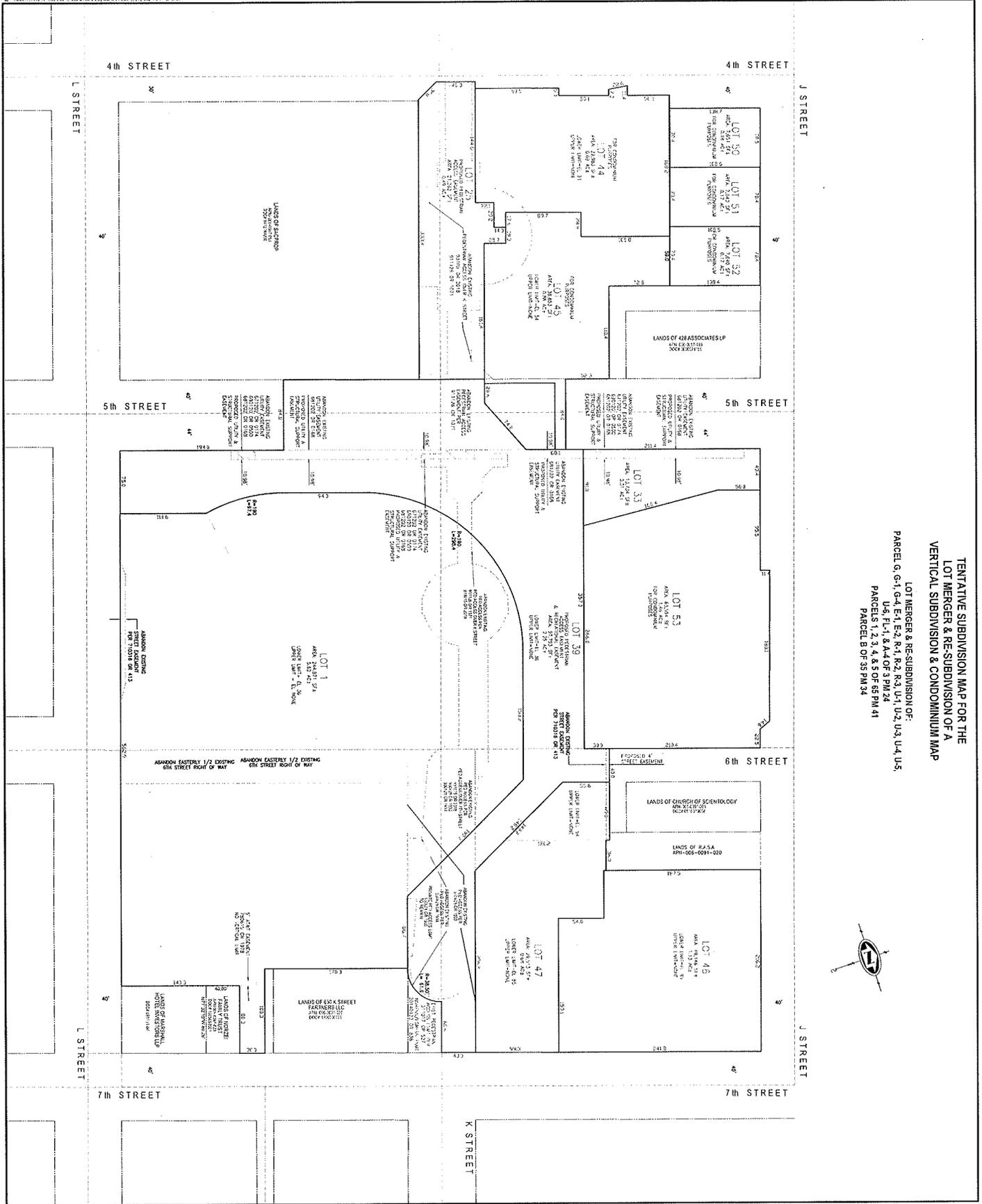
1. LOT 101
 2. LOT 102
 3. LOT 103
 4. LOT 104
 5. LOT 105
 6. LOT 106
 7. LOT 107
 8. LOT 108
 9. LOT 109
 10. LOT 110

1. LOT 111
 2. LOT 112
 3. LOT 113
 4. LOT 114
 5. LOT 115
 6. LOT 116
 7. LOT 117
 8. LOT 118
 9. LOT 119
 10. LOT 120

1. LOT 121
 2. LOT 122
 3. LOT 123
 4. LOT 124
 5. LOT 125
 6. LOT 126
 7. LOT 127
 8. LOT 128
 9. LOT 129
 10. LOT 130

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E-1, E-2, R-1, R-2, R-3, U-1, U-2, U-3, U-4, U-5,
 U-6, F-1, R-4, D-1, R-3, PM 24
 PARCELS 1, 2, 3, 4, 5, 6 OF 65 PM 41
 PARCEL B OF 35 PM 34



MORTON & PITALO, INC.
 CIVIL ENGINEERING, LAND SURVEYING, LAND DEVELOPMENT
 1000 N. MARKET STREET, SUITE 100, SACRAMENTO, CA 95811
 TEL: (916) 441-1111 FAX: (916) 441-1112
 WWW.MORTONANDPITALO.COM

TENTATIVE MAP
SACRAMENTO ENTERTAINMENT & SPORTS CENTER DISTRICT
 PARCELS 1, 2, 3, 4, 5, 6 OF 65 PM 41

NO.	DESCRIPTION	DATE	BY	FOR
1	PRELIMINARY MAP	12/15/10	J. PITALO	FOR THE CLIENT
2	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
3	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
4	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
5	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
6	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
7	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
8	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
9	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
10	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
11	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
12	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
13	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
14	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
15	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
16	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
17	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
18	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
19	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
20	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
21	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
22	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
23	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
24	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
25	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
26	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
27	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
28	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
29	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
30	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
31	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
32	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
33	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
34	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
35	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
36	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
37	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
38	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
39	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
40	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
41	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
42	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
43	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
44	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
45	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
46	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
47	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
48	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
49	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
50	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
51	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
52	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
53	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
54	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
55	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
56	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
57	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
58	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
59	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
60	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
61	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
62	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
63	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
64	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
65	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
66	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
67	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
68	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
69	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
70	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
71	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
72	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
73	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
74	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
75	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
76	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
77	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
78	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
79	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
80	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
81	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
82	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
83	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
84	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
85	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
86	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
87	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
88	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
89	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
90	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
91	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
92	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
93	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
94	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
95	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
96	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
97	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
98	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
99	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT
100	REVISIONS	1/10/11	J. PITALO	FOR THE CLIENT

EXHIBIT B

[see attached]

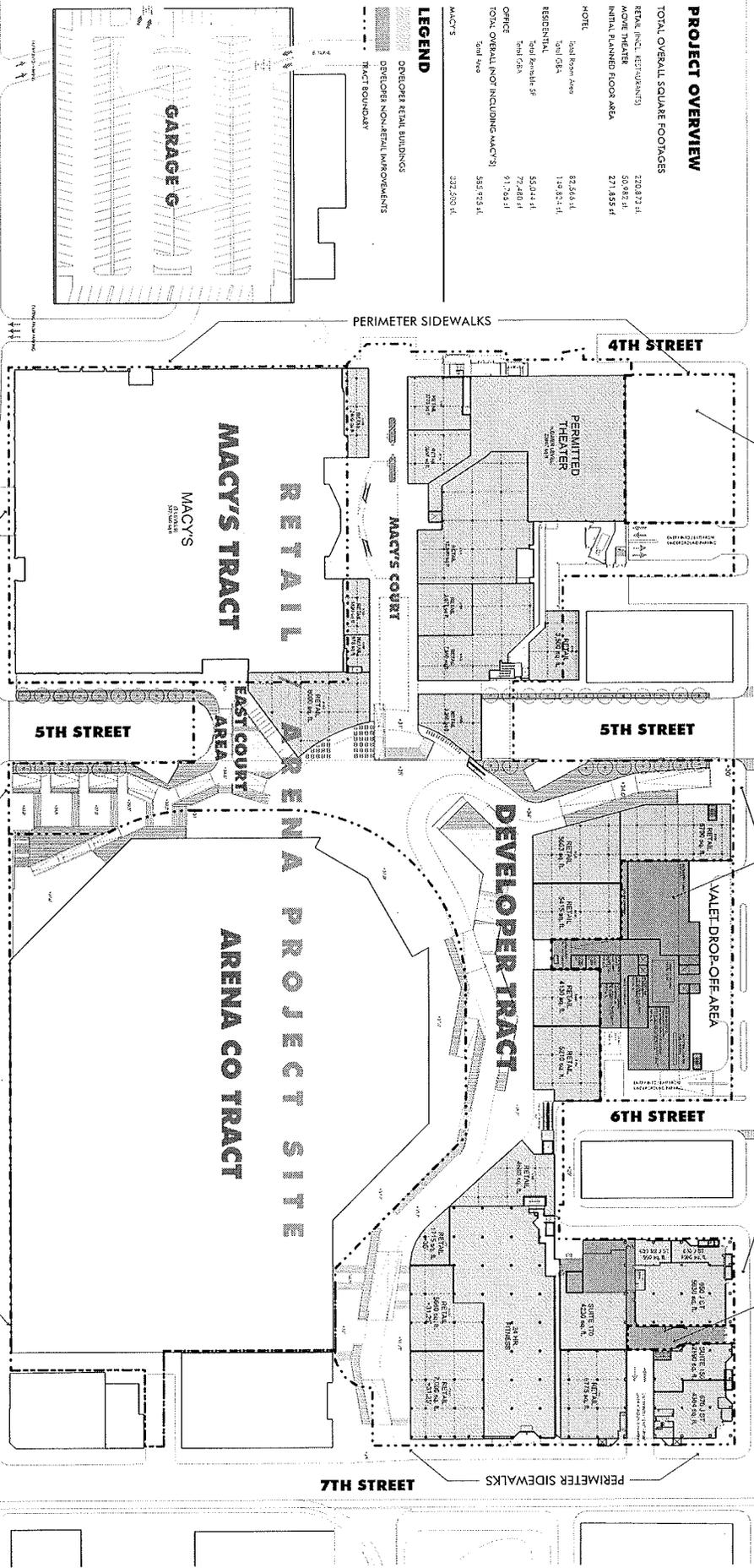
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (INCL. RESTROOMS)	229,873 SF
MOVIE THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Hotel Room Area	82,564 SF
Hotel O&A	118,821 SF
RESIDENTIAL	
Hotel Rooms #	55,044 #
Hotel O&A	27,480 SF
OFFICE	91,758 SF
TOTAL OVERALL (NOT INCLUDING MACY'S)	
Total Area	585,925 SF
MACY'S	
	302,500 SF

LEGEND

- DEVELOPER RETAIL BUILDINGS
- DEVELOPER NON-RETAIL IMPROVEMENTS
- TRACT BOUNDARY



MAIN CONCOURSE PLAN (+37'-0")

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

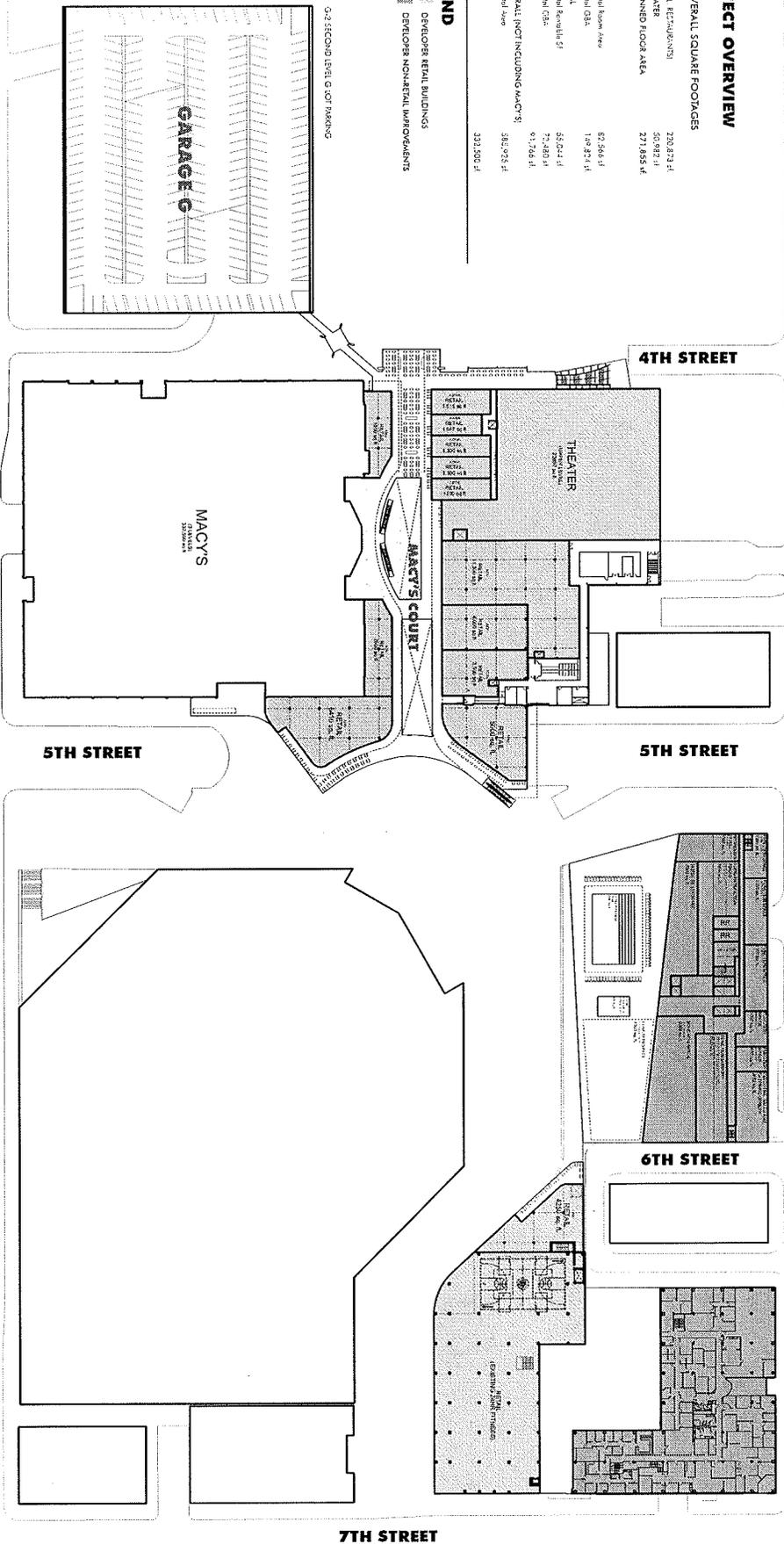
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	228,873 SF
RETAIL INCL. RECOMMENDS	50,987 SF
MOVIE THEATER	271,885 SF
INITIAL PLANNED FLOOR AREA	
HOTEL	
Hotel Room Area	82,566 SF
Hotel DEA	138,874 SF
RESIDENTIAL	
Hotel Renovation	55,044 SF
Hotel DEA	73,480 SF
Office	61,726 SF
TOTAL OVERALL INCL. INCLUDING MACY'S	383,975 SF
Hotel Area	
MACY'S	233,500 SF

LEGEND

-  DEVELOPER RETAIL BUILDINGS
-  DEVELOPER NON-RETAIL IMPROVEMENTS



SECOND LEVEL PLAN (+57'-0")

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL PARKING COUNTS P-1

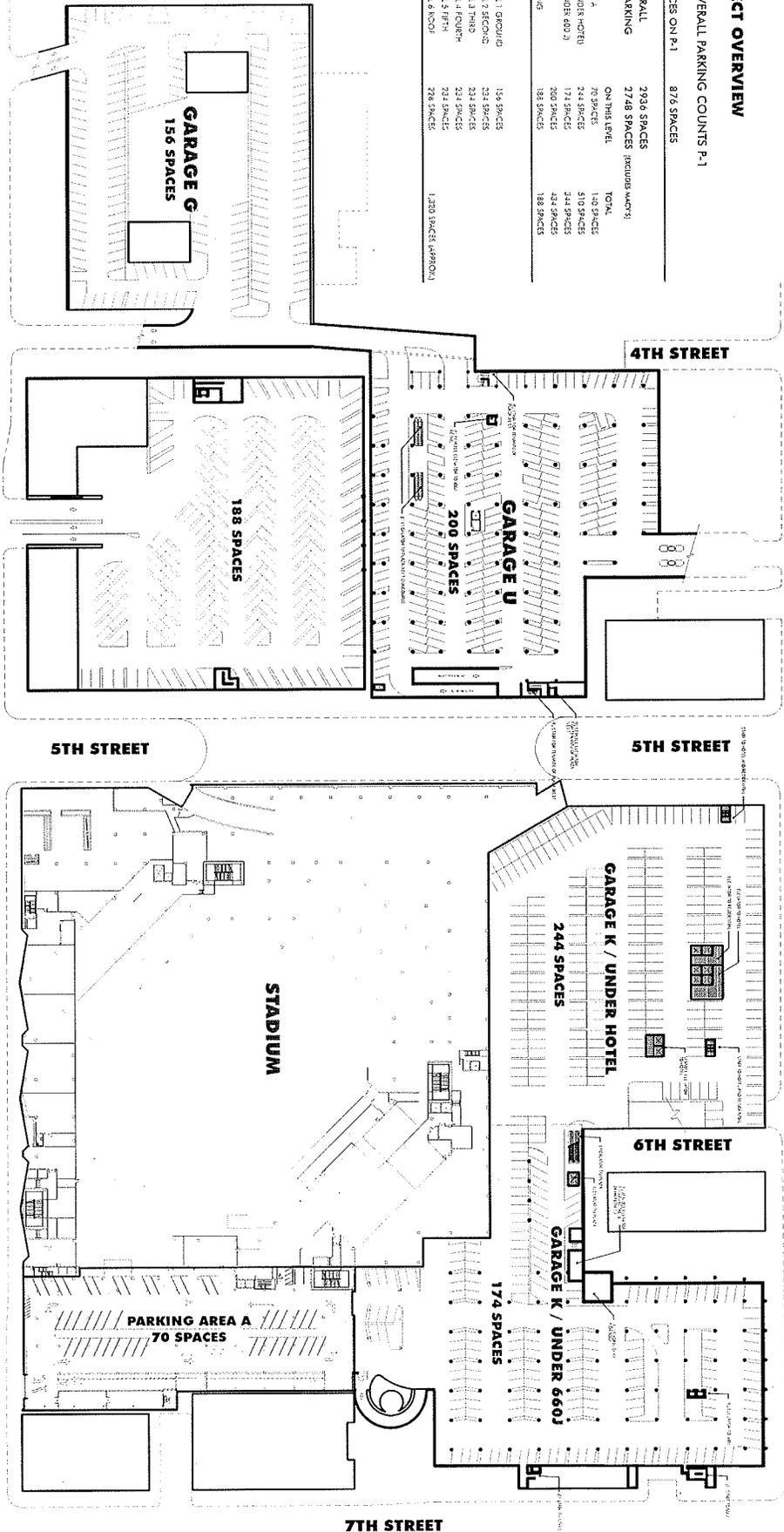
TOTAL SPACES ON P-1 876 SPACES

TOTAL OVERALL 2936 SPACES (includes M&C's)

PROJECT PARKING 2748 SPACES

PARKING AREA	ON THIS LEVEL	TOTAL
Garage F - UNDER HOTEL	244 SPACES	510 SPACES
Garage F - UNDER 660J	174 SPACES	244 SPACES
Garage U	200 SPACES	434 SPACES
Garage G	156 SPACES	188 SPACES
Parking Area A	70 SPACES	70 SPACES

Garage G	Level 1 Ground	156 SPACES
Level 2 Second	234 SPACES	
Level 3 Third	234 SPACES	
Level 4 Fourth	234 SPACES	
Level 5 Fifth	234 SPACES	
Level 6 Sixth	234 SPACES	
		1,380 SPACES (APPROX)



PARKING LEVEL 01 (P-1)

1" = 30'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

EXHIBIT B

PROJECT OVERVIEW

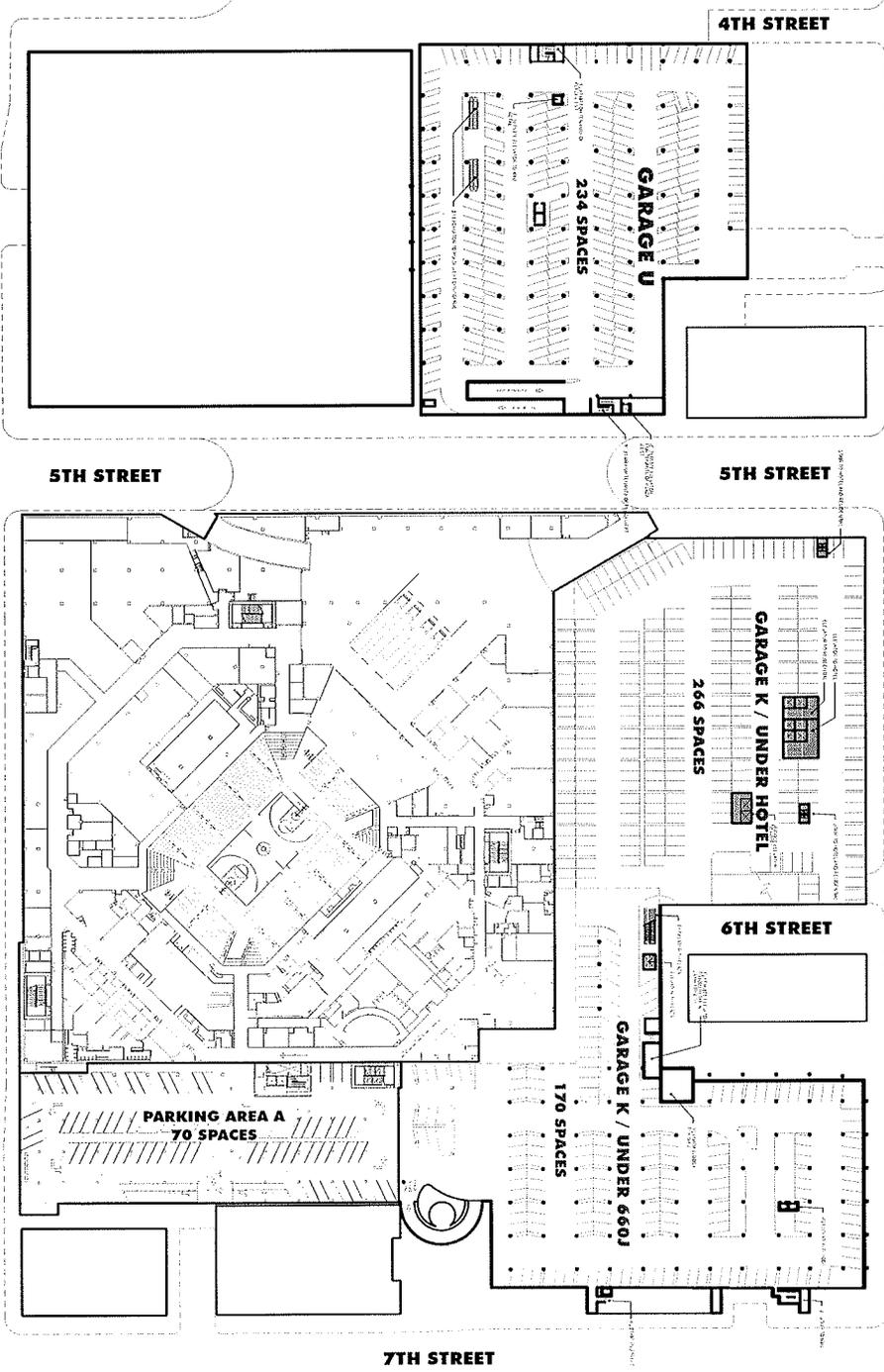
TOTAL OVERALL PARKING COUNTS P-2

TOTAL SPACES ON P-2 740 SPACES

TOTAL OVERALL 2936 SPACES
PROJECT PARKING 2748 SPACES (garages+work)

PARKING AREA	ON THIS LEVEL	TOTAL
Garage U (under hotel)	20 SPACES	234 SPACES
Garage K (under 660)	266 SPACES	310 SPACES
Garage U (under 660)	170 SPACES	234 SPACES
Garage U	234 SPACES	434 SPACES
Work Building	0 SPACES	188 SPACES

Garage U	LEVEL 1 (GROUND)	156 SPACES
	LEVEL 2 (SECOND)	234 SPACES
	LEVEL 3 (THIRD)	234 SPACES
	LEVEL 4 (FOURTH)	234 SPACES
	LEVEL 5 (FIFTH)	234 SPACES
	LEVEL 6 (SIXTH)	228 SPACES
	LEVEL 7 (SEVENTH)	1,320 SPACES (APPROX)



1" = 30'-0" SCALE
WHEN PRINTED AT ZAGAG FORMAT

PARKING LEVEL 02 (P-2)

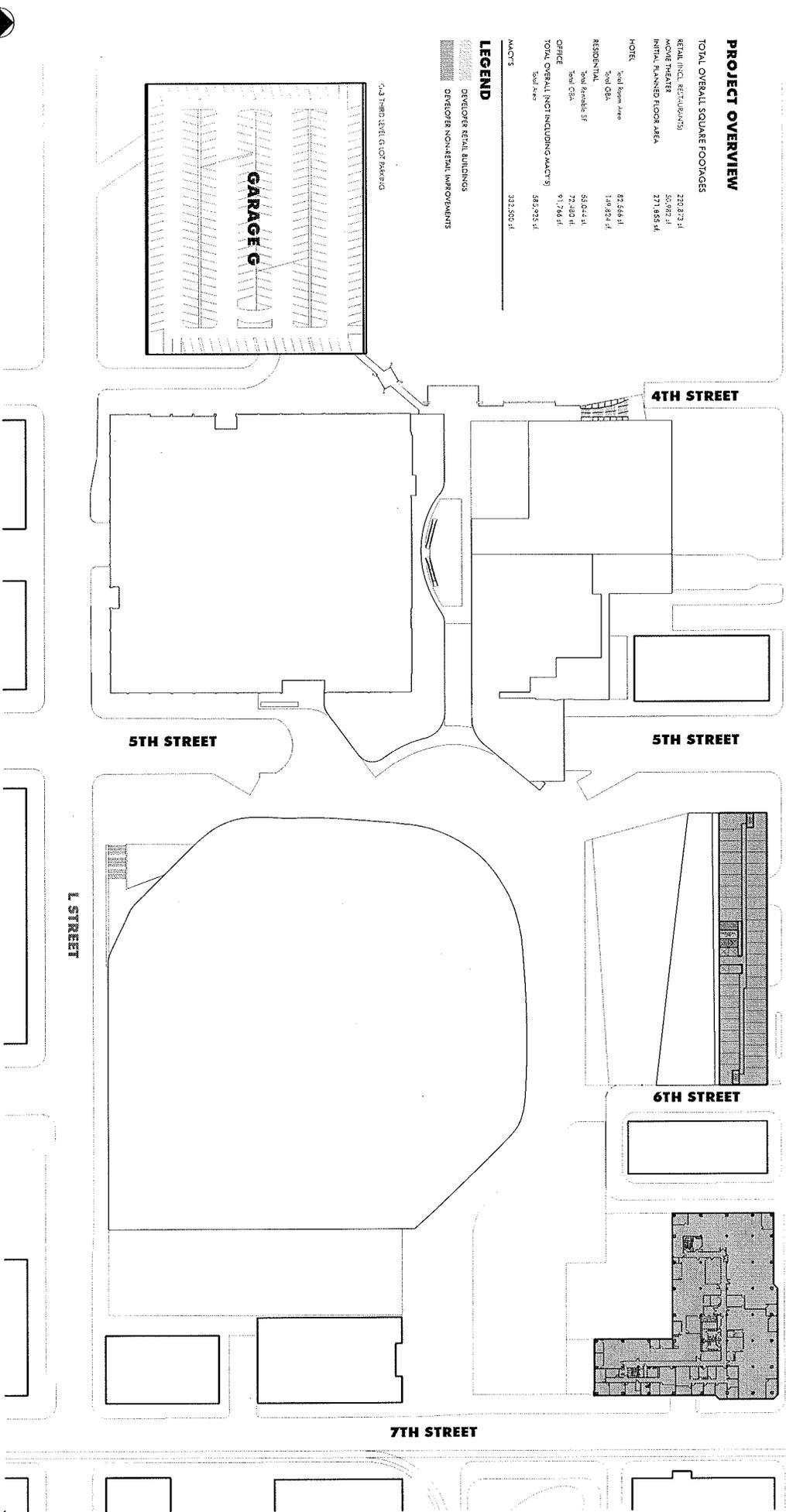
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (INCL. RESTAURANTS)	229,273 SF
MOVIE THEATER	50,992 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Total Room Area	82,556 SF
Total CBA	1,09,824 SF
RESIDENTIAL	
Total Rentable SF	55,024 SF
Total CBA	27,480 SF
OFFICE	
Total Area	9,766 SF
TOTAL OVERALL (INCL. INCLUDING MACT'S)	
Total Area	389,275 SF
MACT'S	
	332,582 SF

LEGEND

-  DEVELOPER RETAIL BUILDINGS
-  DEVELOPER NON-RETAIL IMPROVEMENTS



THIRD LEVEL PLAN (+72'-0")

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

RIDS CLEMENTI HALE STUDIOS

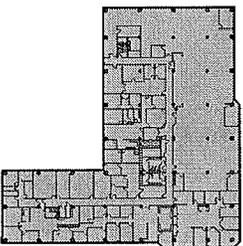
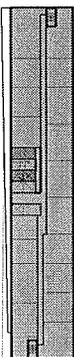
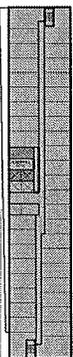
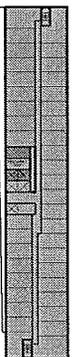
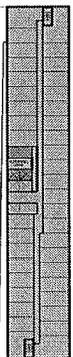
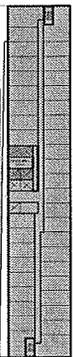
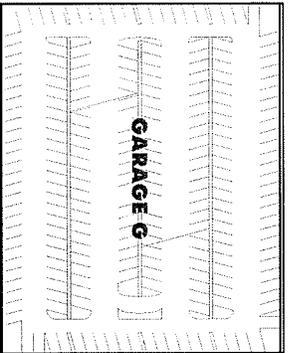
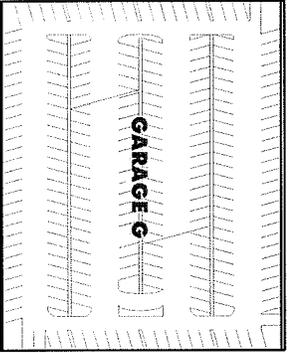
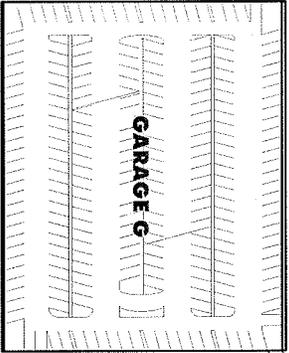
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (INCL. RESTAURANTS)	220,873 SF
MOVIE THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Total Room Area	82,554 SF
Total GFA	1,149,214 SF
RESIDENTIAL	
Total Rentable SF	55,044 SF
Total GFA	72,489 SF
OFFICE	
TOTAL OVERALL (NOT INCLUDING MACT'S)	917,268 SF
Total Area	585,975 SF
MACT'S	
	332,293 SF

LEGEND

-  DEVELOPER RETAIL BUILDINGS
-  DEVELOPER NON-RETAIL IMPROVEMENTS



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

LEVELS FOUR THROUGH EIGHT

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

RIDOS CLEMENTI HALE STUDIOS

EXHIBIT B

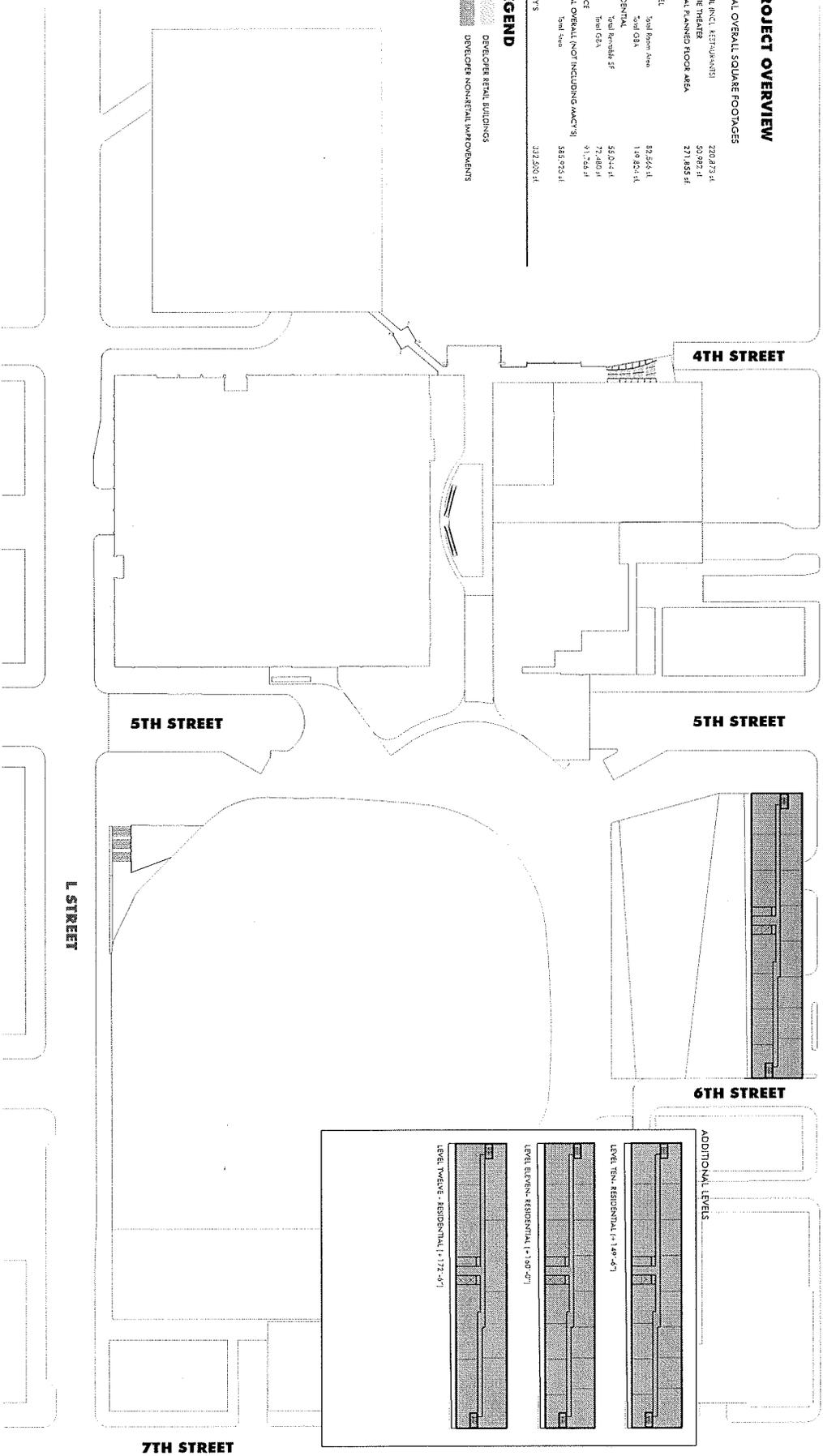
PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (INCL. RESTAURANTS)	229,873 SF
MOORE THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Total Room Area	83,544 SF
Total GBA	1,189,824 SF
RESIDENTIAL	
Total Resizable SF	55,014 SF
Total GBA	271,489 SF
OFFICE	917,734 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	389,793 SF
MACYS	322,250 SF

LEGEND

- DEVELOPER RETAIL BUILDINGS
- DEVELOPER NON-RETAIL IMPROVEMENTS



LEVELS NINE THROUGH TWELVE

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

RIDOS CLEMENTI HALE STUDIOS

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (P.C. RETAIL/PLAZA)	220,873 SF
MOVIE THEATER	50,000 SF
INITIAL PLANNED FLOOR AREA	271,855 SF

HOTEL

Total Room Area	82,268 SF
Total GFA	1,194,821 SF

RESIDENTIAL

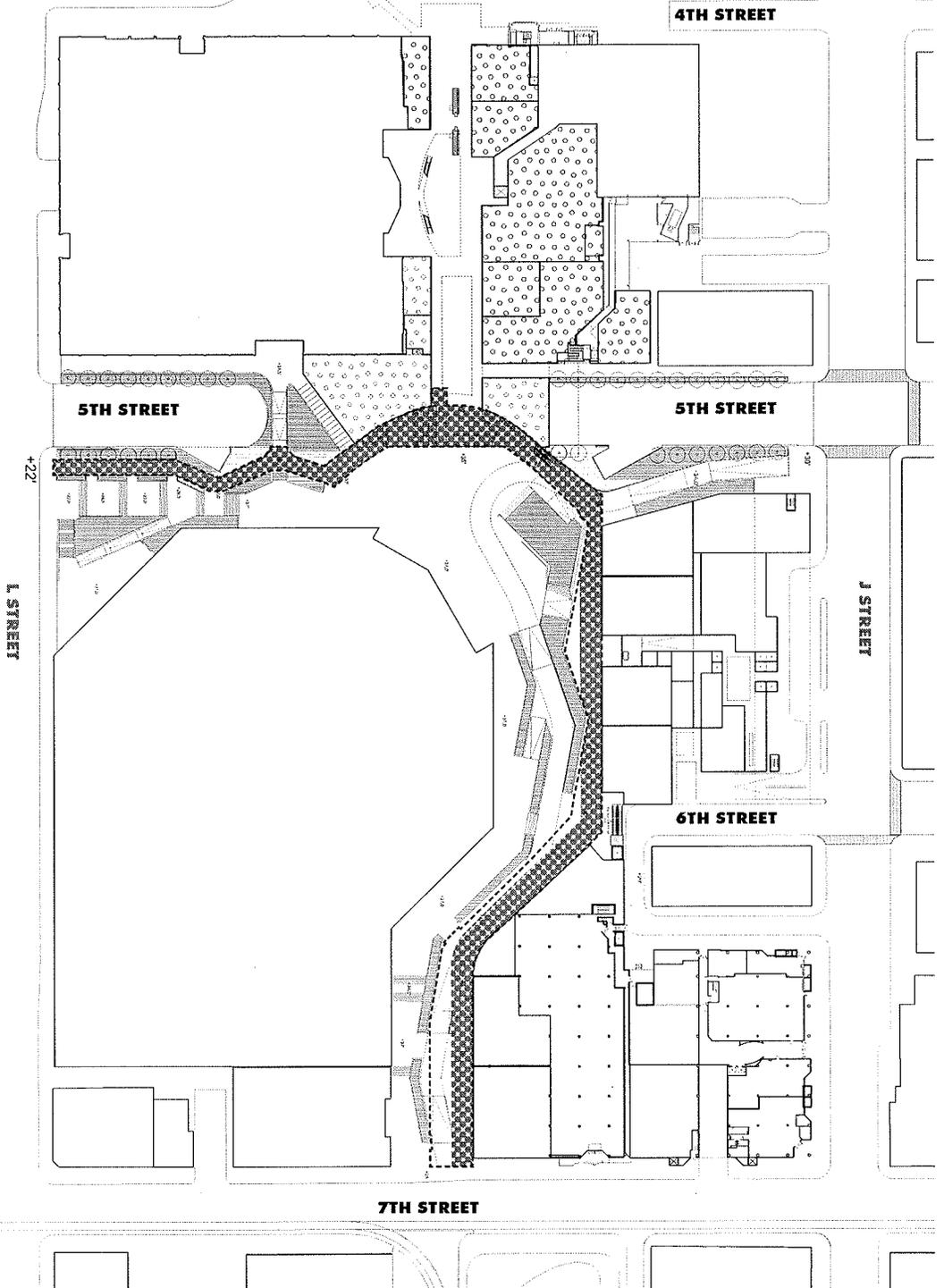
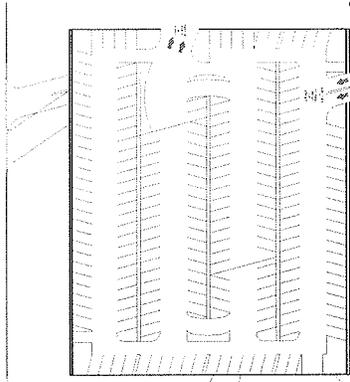
Total Number of Units	55,014
Total GFA	72,480 SF
Office	91,726 SF

TOTAL OVERALL (NOT INCLUDING MACYS)
Total Area: 585,075 SF

MACYS
Total Area: 322,509 SF

LEGEND

- IMMEDIATELY ADJACENT AREA
- ARENA PLAZA CO OPERATING AREA
- IMMEDIATELY ADJACENT RETAIL (50,333 SF shown on plan)
- PLAZA AREA
- MACYS CONTROL AREA
- NON-CLOSURE AREA (INCLUDES MACYS CONTROL AREA)



1" = 50'-0" SCALE
PLOT PRINTED AT 1/2" = 1" FORMAT

AREA PLAN

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (INCL. RESTAURANTS)	229,873 SF
MOVIE THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Total Room Area	82,566 SF
Total CEA	1,199,824 SF
RESIDENTIAL	
Total Rentable SF	55,044 SF
Total CEA	72,489 SF
OFFICE	
Total CEA	917,766 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	
Total Area	389,923 SF
MACYS	322,500 SF

LEGEND

- IMMEDIATELY ADJACENT AREA
- IMMEDIATELY ADJACENT RETAIL (1, 1/2, 1/4 shown on plan)
- FUTURE BUILDING SITES

NOTE: FIRST TWO LEVELS RETAIL & PERMITTED THEATER.
ALL ELSE ABOVE TO BE RETAIL, RESIDENTIAL, HOTEL AND OFFICE.

J STREET

NOTE: FIRST LEVEL PERMITTED AS RETAIL (AS INDICATED BY AREA NOTED) ALL ELSE ABOVE TO BE RETAIL, RESIDENTIAL, HOTEL AND OFFICE.

4TH STREET

5TH STREET

6TH STREET

7TH STREET

5TH STREET

L STREET

NOTE: FIRST & SECOND LEVELS PERMITTED AS RETAIL (AS INDICATED BY AREA NOTED) ALL ELSE ABOVE TO BE RETAIL, RESIDENTIAL, HOTEL AND OFFICE.



1" = 50'-0" SCALE
W/ENR PRINTED AT 25.0x36 FORMAT

AREA PLAN

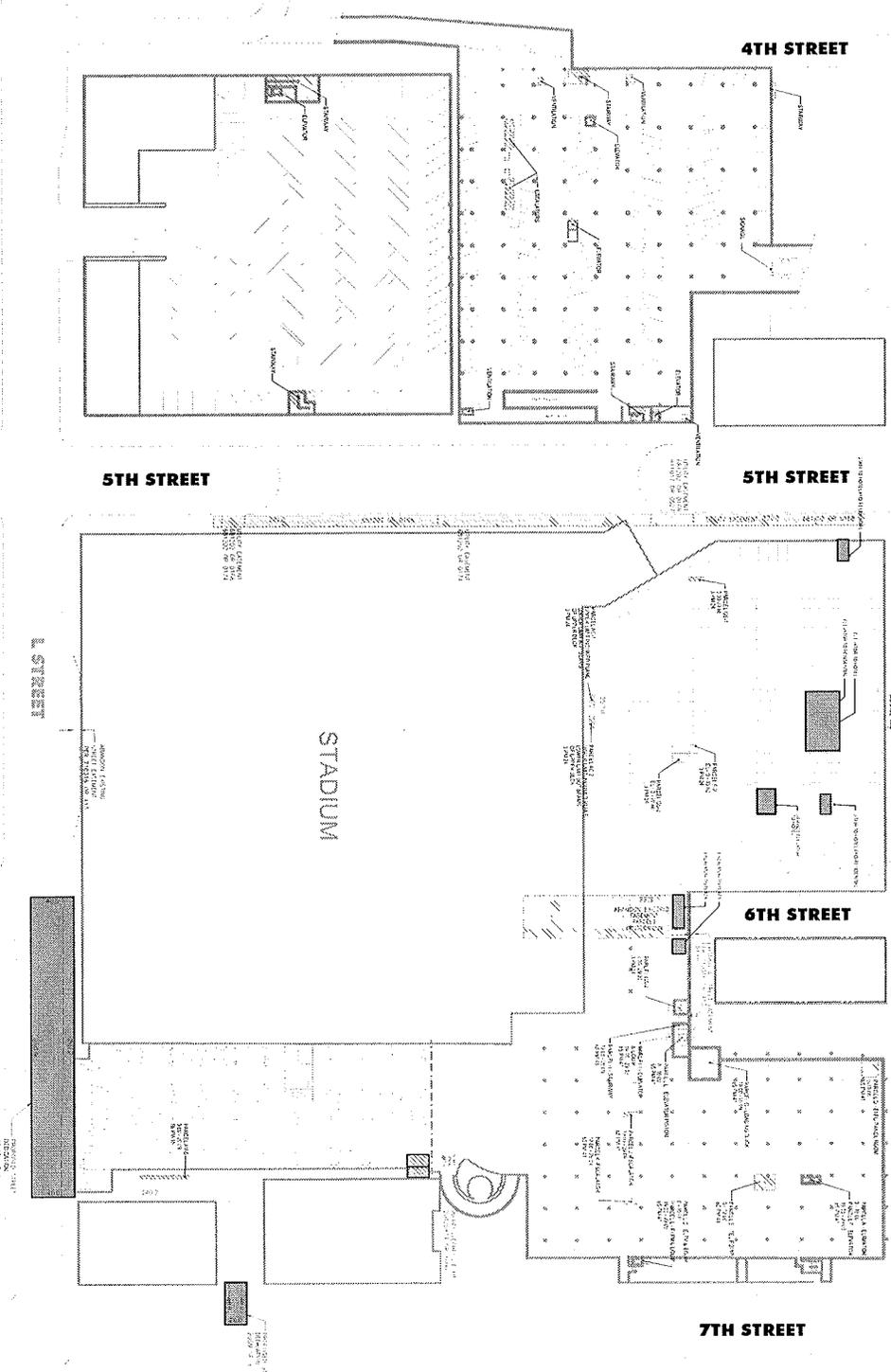
CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (incl. RESTAURANTS)	200,474 SF
MOCH THEATRE	59,403 SF
INITIAL PLANNED FLOOR AREA	271,858 SF
HOTEL	
Total Room Area	82,566 SF
Total GFA	1,09,292 SF
RESIDENTIAL	
Total Rental SF	55,044 SF
Total GFA	72,480 SF
OFFICE	
Total Area	91,764 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	
Total Area	555,925 SF
MACYS	
Total Area	327,500 SF

LEGEND
 EXISTING EASEMENTS
 NEW EASEMENTS



1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36 FORMAT
EASEMENTS
 CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	229,873 SF
RETAIL (IN-CL. REPAIRS/RENT)	50,492 SF
MOVIE THEATER	271,855 SF
INITIAL PLANNED FLOOR AREA	
HOTEL	
Total Room Area	82,996 SF
Total GFA	119,874 SF
RESIDENTIAL	
Total Rentable SF	55,041 SF
Total GFA	72,480 SF
OFFICE	
Total Area	91,776 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	555,975 SF
Total Area	332,500 SF

LEGEND

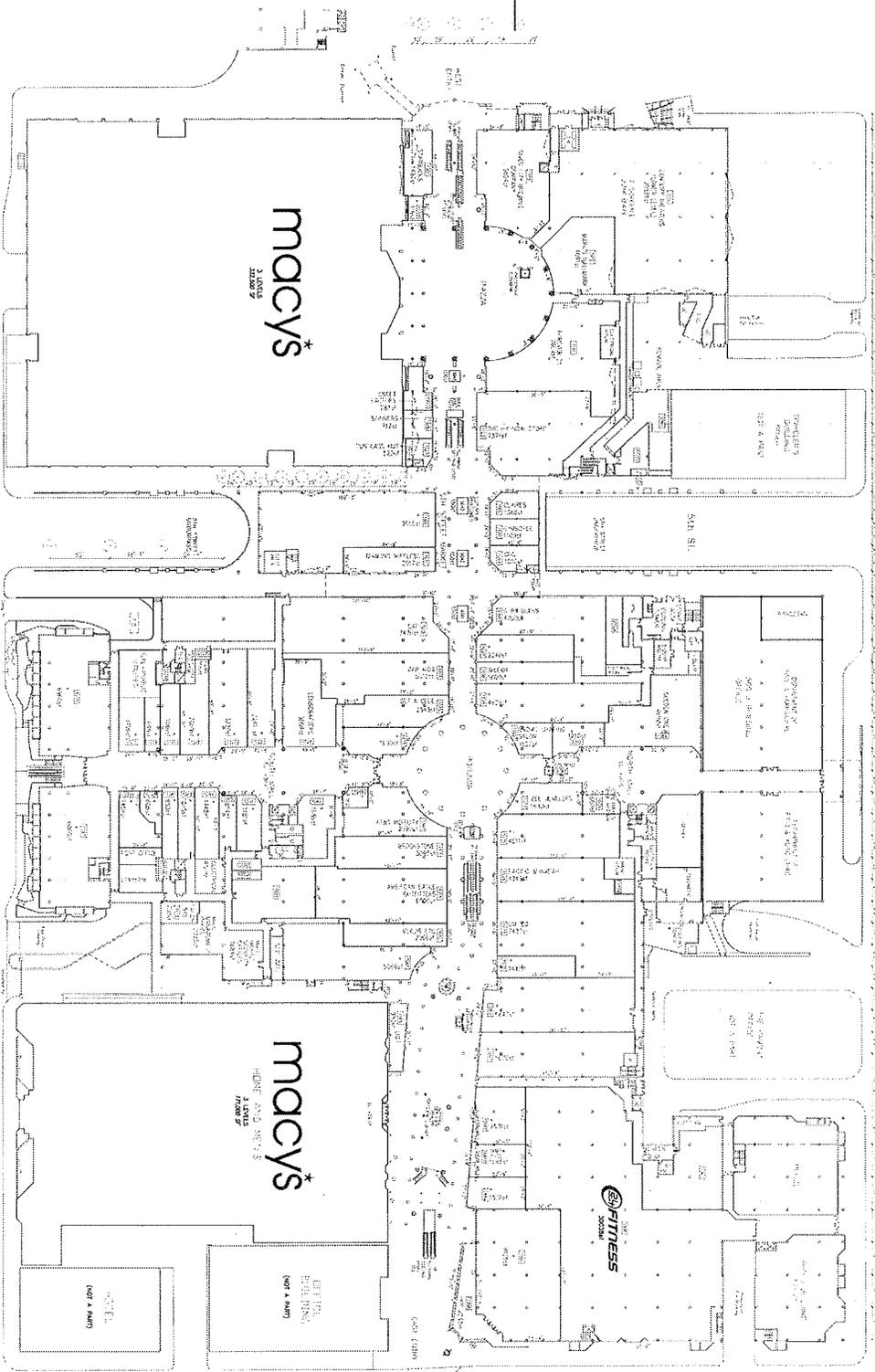


EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (INCL. MESENAULT)	220,873 SF
MOVIE THEATER	50,962 SF
INITIAL PLANNED FLOOR AREA	271,835 SF

HOTEL

Total Room Area	82,866 SF
Total GFA	1,198,271 SF

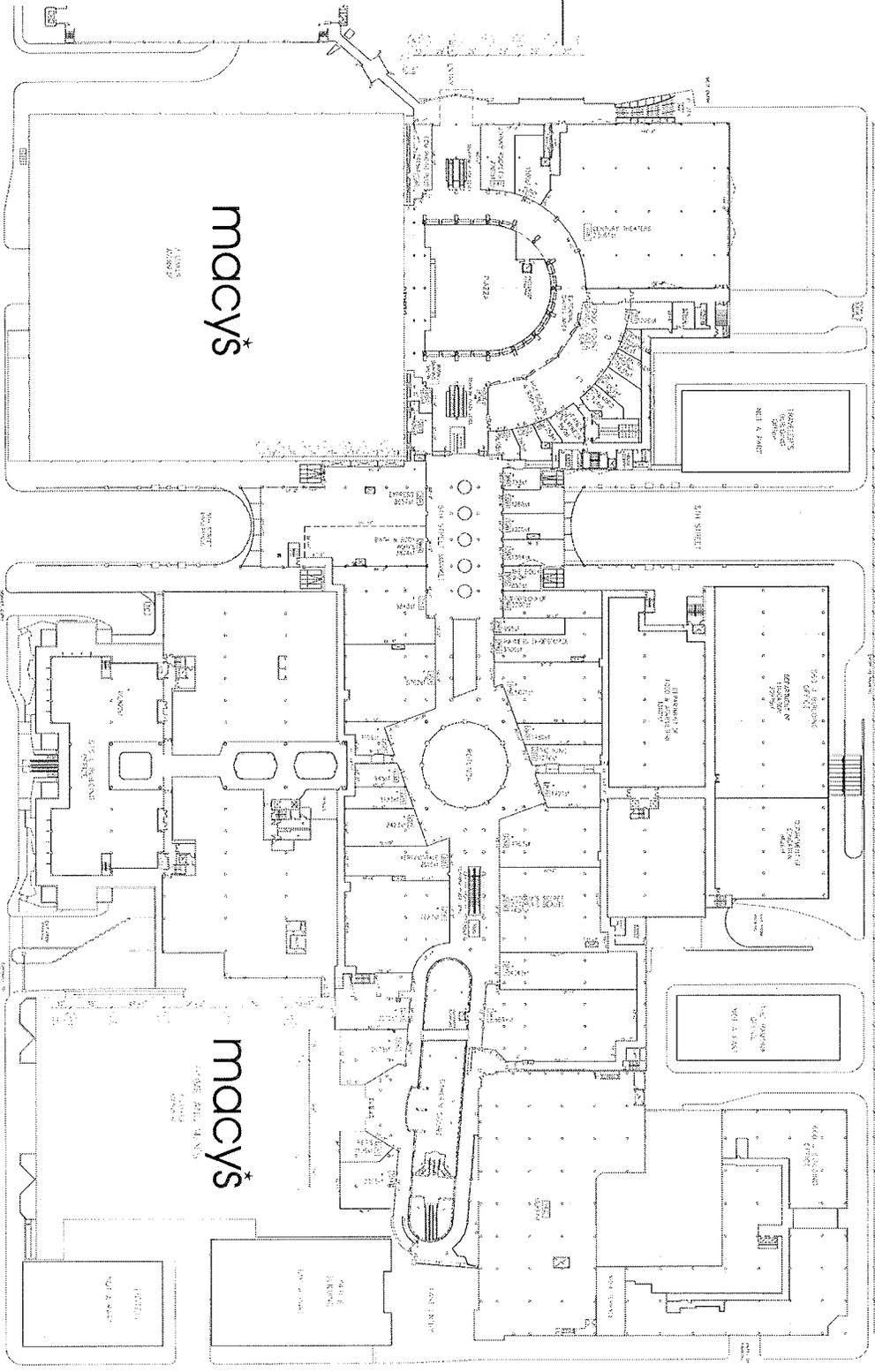
RENTAL

Total Rentable SF	55,044 SF
Total GFA	72,460 SF
Total GFA	91,766 SF

OFFICE

TOTAL OVERALL (NOT INCLUDING MACYS)	585,829 SF
Total Area	322,509 SF

LEGEND



1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36 FORMAT

DEVELOPER EXISTING IMPROVEMENTS - SECOND LEVEL

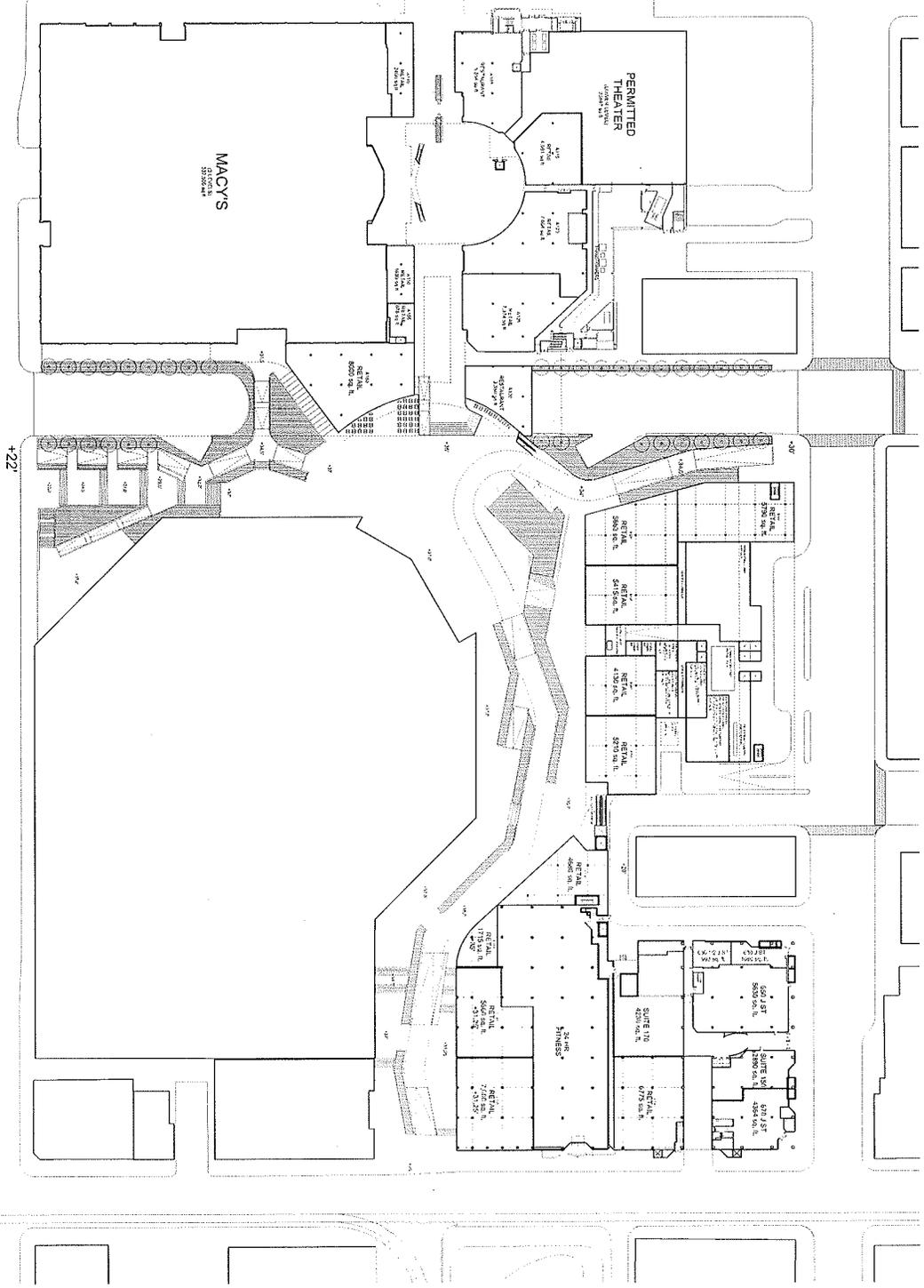
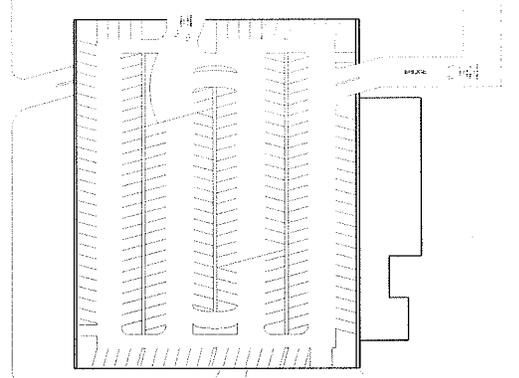
CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	193,678 SF
RETAIL (incl. PERMITTED)	18,658 SF
MOVIE THEATER	2,404,534 SF
INITIAL PLANNED FLOOR AREA	2,404,534 SF
HOTEL	
Hotel Room, Suite	82,866 SF
Hotel GSA	1,092,825 SF
RESIDENTIAL	
Hotel Remains SF	55,024 SF
Hotel GSA	72,480 SF
Office	91,276 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	
Hotel Room	82,866 SF
Hotel GSA	1,092,825 SF
Office	91,276 SF
MACYS	
Hotel Room	332,808 SF

LEGEND



1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36" FORMAT

ALTERNATIVE GRAND OPENING DATE PLAN - MAIN CONCOURSE

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (incl. REPAIR/RENT)
 MOUNT THEATER
 INITIAL PLANNED FLOOR AREA

130,474 SF
 48,958 SF
 248,634 SF

HOTEL
 Total Room Area
 Total GSA

82,566 SF
 148,824 SF

RESIDENTIAL
 Total Rentable SF
 Total GSA

55,014 SF
 72,489 SF

OFFICE
 Total GSA

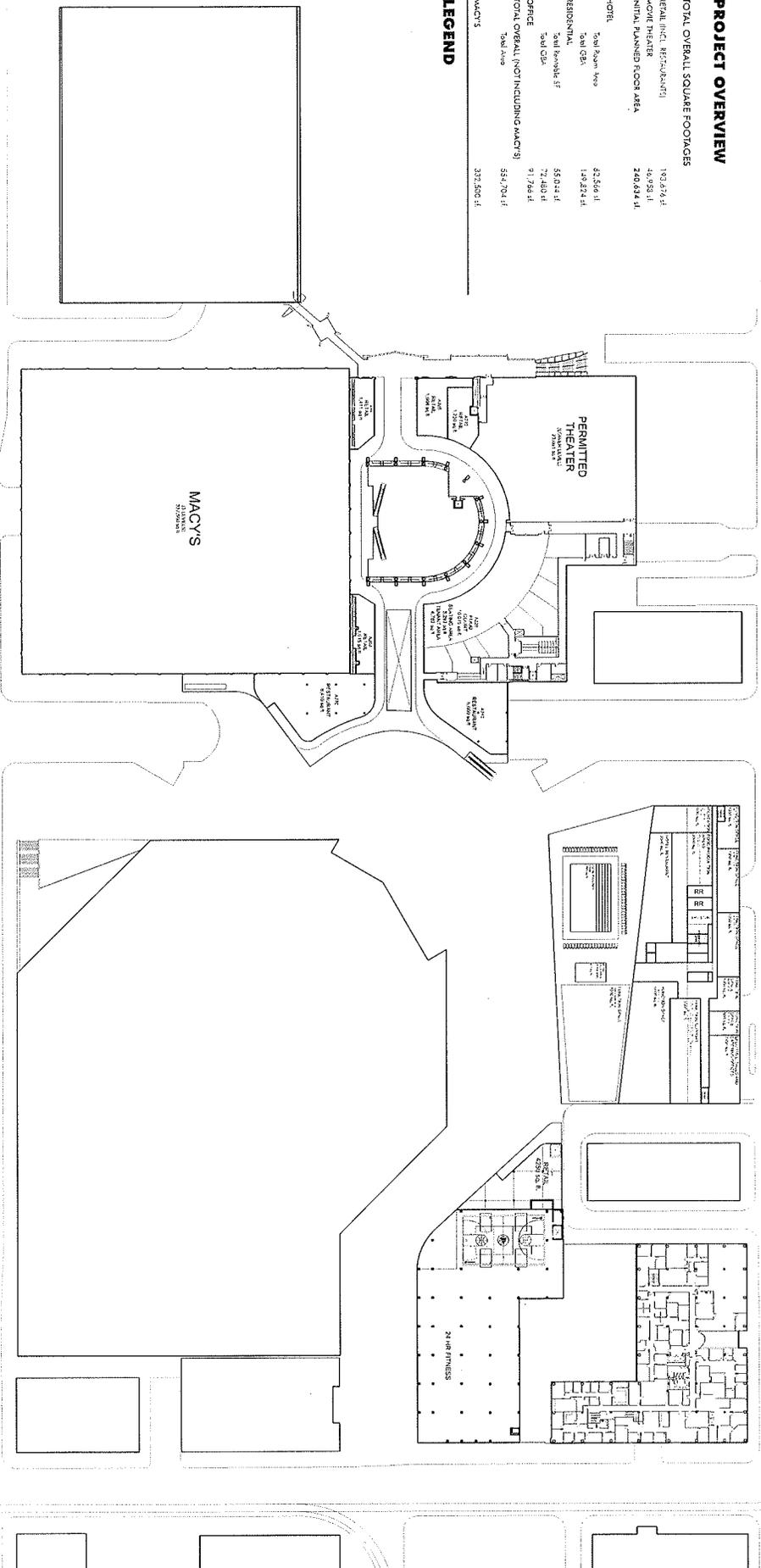
91,798 SF

TOTAL OVERALL (NOT INCLUDING MACY'S)
 Total Area

553,704 SF

MACY'S
 328,506 SF

LEGEND



1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36 FORMAT

ALTERNATIVE GRAND OPENING DATE PLAN - SECOND LEVEL

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

[BACK](#)

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Pircher, Nichols & Meeks
1925 Century Park East, Suite 1700
Los Angeles, California 90067-2512

Attn: Real Estate Notices (SAH)

(Space above for Recorder's use only)

AMENDED AND RESTATED CONSTRUCTION,
OPERATION AND MAINTENANCE AGREEMENT

for

SACRAMENTO GARDENS
(Sacramento, California)

by and among

SG DOWNTOWN LLC,
a Delaware limited liability company;

MACY'S WEST STORES, INC.,
an Ohio corporation;

SACRAMENTO DOWNTOWN ARENA LLC,
a Delaware limited liability company

and

THE CITY OF SACRAMENTO,
a municipal corporation of the State of California

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1 DEFINITIONS.....	3
ARTICLE 2 PLANS FOR DEVELOPER RETAIL/ARENA PROJECT IMPROVEMENTS.....	13
Section 2.1 Definitions	13
Section 2.2 Developer Preliminary and Final Plan Approvals.....	15
Section 2.3 Macy Court.....	15
Section 2.4 Changes in Plans.....	15
Section 2.5 Access to Plaza Area	15
Section 2.6 Redesignation of Areas Within Building Sites.....	15
ARTICLE 3 CONSTRUCTION AND OPENING	16
Section 3.1 Developer’s Commencement of Construction.....	16
Section 3.2 Manner of Construction.....	16
Section 3.3 Time for Completion, Leasing and Opening of Developer Improvements	16
Section 3.4 Building Entrances.....	16
Section 3.5 Opening Date of Macy.....	16
Section 3.6 Interference During Construction.....	17
Section 3.7 Construction Barricades.....	17
Section 3.8 Developer’s Submission of Construction Schedule	17
Section 3.9 Workmanship.....	18
Section 3.10 Mechanic’s Liens.....	18
ARTICLE 4 FLOOR AREA, USE, OPERATION, SIZE AND HEIGHT	19
Section 4.1 Floor Area.....	19
Section 4.2 Uses.....	20

Section 4.3	Limitation on Detrimental Characteristics.....	21
Section 4.4	Noninterference with the Plaza Area.....	22
Section 4.5	Obstructions.....	23
ARTICLE 5 OPERATION AND MAINTENANCE OF THE PLAZA AREA AND PERIMETER SIDEWALKS		24
Section 5.1	Designation of Operator	24
Section 5.2	Plaza Area Standards	24
Section 5.3	Perimeter Sidewalks	25
Section 5.4	Self-Help Cure Rights.....	25
ARTICLE 6 INDEMNIFICATION AND PUBLIC LIABILITY INSURANCE.....		26
Section 6.1	Operator ‘s Indemnity.....	26
Section 6.2	Party’s Indemnity.....	26
Section 6.3	Operator’s General Liability Insurance - Plaza Area	26
Section 6.4	General Liability Insurance - Tracts (Excluding the Plaza Area).....	26
Section 6.5	Blanket Insurance and Self-Insurance	27
Section 6.6	General.....	27
ARTICLE 7 PROPERTY INSURANCE.....		27
Section 7.1	Developer’s Property Insurance	27
Section 7.2	Property Insurance.....	28
Section 7.3	Blanket Insurance; Self-Insurance.....	28
Section 7.4	Mutual Release; Waiver of Subrogation.....	29
Section 7.5	Certificate of Insurance.....	29
Section 7.6	Insurance Trustee.....	29
Section 7.7	General.....	30
ARTICLE 8 REPAIR, MAINTENANCE, ALTERATIONS AND RESTORATION.....		30
Section 8.1	Maintenance.....	30

Section 8.2	Alterations.....	30
Section 8.3	Restoration of Developer Retail Improvements	32
Section 8.4	Restoration of Buildings of Macy and Arena Co.	33
Section 8.5	Standards of Construction.....	33
Section 8.6	Licenses for Restoration	34
Section 8.7	Clearing of Premises.....	34
Section 8.8	Liability of Involuntary Transferee	35
ARTICLE 9 COVENANT OF DEVELOPER.....		35
Section 9.1	Operation Covenant	35
Section 9.2	Benefits to Macy, City and Arena Co.....	36
Section 9.3	Covenants Binding on Developer Tract and Running With the Land	37
Section 9.4	Covenants Binding on Developer Adjacent Property and Running With the Land	37
Section 9.5	Dominant and Servient Estates.....	37
ARTICLE 10 INTENTIONALLY OMITTED		37
ARTICLE 11 DISCHARGE AND RELEASE		38
Section 11.1	Discharge of Transferor	38
Section 11.2	Discharge of Involuntary Transferor	38
Section 11.3	Exceptions to Discharge	38
Section 11.4	Developer Excuse and Release from Operation Covenant.....	38
Section 11.5	Operator Excused.....	38
Section 11.6	Excuse and Release from Restoration Covenants	39
Section 11.7	No Waiver.....	39
ARTICLE 12 FORCE MAJEURE.....		39
Section 12.1	Excuse.....	39

ARTICLE 13 CONDEMNATION.....	40
Section 13.1 Determination of Award.....	40
Section 13.2 Application.....	40
Section 13.3 Taking of Floor Area or Automobile Parking Area.....	40
Section 13.4 Mortgagee Participation.....	41
Section 13.5 Inverse Condemnation.....	41
ARTICLE 14 SIGN CRITERIA.....	41
Section 14.1 Criteria.....	41
ARTICLE 15 RULES AND REGULATIONS.....	41
Section 15.1 Rules and Regulations.....	41
ARTICLE 16 TAXES AND ASSESSMENTS.....	42
Section 16.1 Payment.....	42
Section 16.2 Contest.....	42
ARTICLE 17 ATTORNEY FEES.....	42
Section 17.1 Prevailing Party.....	42
ARTICLE 18 NOTICES.....	42
Section 18.1 Delivery to Parties.....	42
Section 18.2 Mortgagee Notice.....	45
ARTICLE 19 AMENDMENT.....	46
Section 19.1 Method and Effect of Amendment.....	46
Section 19.2 No Third-Party Beneficiary.....	47
ARTICLE 20 INTENTIONALLY OMITTED.....	47
ARTICLE 21 TERMINATION OF AGREEMENT.....	47
Section 21.1 Termination.....	47
ARTICLE 22 MISCELLANEOUS.....	47

Section 22.1	Breach Shall Not Defeat Mortgage.....	47
Section 22.2	Breach Shall Not Permit Termination	47
Section 22.3	Captions	47
Section 22.4	Consent	48
Section 22.5	Joint Preparation	48
Section 22.6	Exercise of Approval Rights.....	48
Section 22.7	Governing Laws.....	49
Section 22.8	Injunctive Relief	49
Section 22.9	No Partnership	49
Section 22.10	Not a Public Dedication.....	49
Section 22.11	Severability	49
Section 22.12	Successors.....	49
Section 22.13	Time of Essence.....	49
Section 22.14	Waiver of Default	49
Section 22.15	Rights Cumulative	49
Section 22.16	Counterparts.....	50
Section 22.17	Estoppel Certificates	50
Section 22.18	Index	50
Section 22.19	Limitation of Developer’s Liability	50

EXHIBIT A LEGAL DESCRIPTIONS

Part 1A: Developer Tract
Part 1B: Developer Adjacent Property
Part 1C: Ground Leased Tract
Part 2: Macy Tract
Part 3: Arena Co. Tract
Part 4: SG Tract

EXHIBIT B SITE PLAN

EXHIBIT C SIGN CRITERIA

EXHIBIT D RULES AND REGULATIONS

EXHIBIT E PLAZA AREA DESIGN CRITERIA

EXHIBIT F CONSTRUCTION ACCESS AND FENCING PLAN

**AMENDED AND RESTATED CONSTRUCTION,
OPERATION AND MAINTENANCE AGREEMENT**

for

Sacramento Gardens
(Sacramento, California)

THIS AMENDED AND RESTATED CONSTRUCTION, OPERATION AND MAINTENANCE AGREEMENT (“Agreement”) is made and entered into as of _____, 2014, by and among the following Parties: SG DOWNTOWN LLC, a Delaware limited liability company; MACY’S WEST STORES, INC., an Ohio corporation; SACRAMENTO DOWNTOWN ARENA LLC, a Delaware limited liability company; and THE CITY OF SACRAMENTO, a municipal corporation of the State of California.

RECITALS

A. As used in this Agreement, references to any “Recital,” “Article,” “Section” or “Exhibit” are to such portions of this Agreement, all of which together constitute the Agreement. All initially capitalized terms used herein are defined in these Recitals or Article I.

B. DPA, L.P., a California limited partnership (“DPA”); Macy’s California, Inc. a Delaware corporation, debtor-in-possession (“Former Macy”); and Carter Hawley Hale Buildings, Inc., a Delaware corporation, are parties to that certain Construction, Operation And Maintenance Agreement dated as of November 30, 1992 and recorded on October 15, 1993 in Book 93 1015, Page 2019 of the Official Records of Sacramento County, California (“Prior COMA”), which governed the shopping center that has operated on the Developer Tract prior to the date of this Agreement.

C. DPA assigned all of DPA’s right, title and interest in, to and under the Prior COMA (among other agreements) to Downtown Plaza LLC, a Delaware limited liability Company (“DP”), pursuant to the terms of that certain Assignment of Shopping Center Documents dated as of October 29, 1998, and DP assigned all of DP’s right, title and interest in and to the Prior COMA (among other documents) to Downtown Plaza Sacramento, LLC, a Delaware limited liability company (“DPS”) pursuant to the terms of that certain Assignment and Assumption of REAs dated as of August 14, 2012, and recorded on August 14, 2012 in Book 2012814, Page 1605 of the Official Records of Sacramento County, California. Developer is the successor-in-interest to DPS following Developer’s acquisition of the ownership and possession of all of DPS’s property interests in Sacramento Gardens (as defined in the CEA) and thereby is the successor to any remaining DPA interest in the Prior COMA. Macy is the successor-in-interest to Former Macy. City acquired possession of the parcel previously occupied by Weinstocks (the “Weinstocks Tract”) from State of California Public Employees' Retirement System and Foster Associates' successors-in-interest pursuant to a Modified Order for Prejudgment Possession of the Superior Court of the State of California, County of Sacramento, dated March 20, 2014 and anticipates acquiring fee title thereto, and thereby is the successor to any remaining Weinstocks interest in the Prior COMA. Simultaneously herewith, City has

acquired ownership from Developer of a tract of land more particularly described or depicted on Exhibit A (Part 4) (the “SG Tract”), which SG Tract, Weinstocks Tract and other property currently owned by the City (underground parking that will be removed to accommodate the ESC) collectively constitute the Arena Co. Tract. Arena Co. will lease the Arena Co. Tract from City pursuant to the terms and conditions of that certain Arena Management, Operations, and Lease Agreement, dated as of May 20, 2014 (the “Arena Lease Agreement”), for the operation and management of an Entertainment and Sports Complex (the “ESC”), and with City's consent and for the purposes hereof is acting as Weinstocks' successor-in-interest hereunder. City and Arena Co. have further entered into that certain Arena Design and Construction Agreement, dated as of May 20, 2014 (the “Arena Construction Agreement”), governing the design and construction of the ESC.

D. Developer owns those certain tracts of land described in Exhibit A (Parts 1A and 1B) and ground leases from the City that certain tract of land described in Exhibit A (Part 1C) (the “Ground Leased Tract”), each located in the County of Sacramento, State of California, and shown on Exhibit B. The real property described in Exhibit A (Part 1A and Part 1C) is hereinafter referred to as the “Developer Tract” and constitutes all of the real property on which the Developer Retail Improvements will be located. The real property described in Exhibit A (Part 1B) is hereinafter referred to as the “Developer Adjacent Property”, is located immediately adjacent to but does not comprise a portion of the Developer Tract and constitutes all of the real property on which the Developer Non-Retail Improvements will be located. It is contemplated that the fee interest in the Ground Leased Tract will be conveyed to Developer within approximately six (6) months from the date of this Agreement.

E. Macy owns that certain tract of land located in the County of Sacramento, State of California, described in Exhibit A (Part 2), shown on Exhibit B and hereinafter referred to as the “Macy Tract.”

F. Arena Co. licenses, occupies and shall lease from City, pursuant to the terms and conditions of the Arena Lease Agreement (which Arena Lease Agreement shall at all times be subordinate to this Agreement as set forth herein), that certain tract of land located in the County of Sacramento, State of California, described in Exhibit A (Part 3), shown on Exhibit B and hereinafter referred to as the “Arena Co. Tract.”

G. City owns that certain sliver of land (the “Sliver”) adjacent to J Street and shown on Exhibit B. It is contemplated that the Sliver will be conveyed to Developer within approximately six (6) months from the date of this Agreement. Upon such conveyance, the Sliver shall become part of the Developer Tract.

H. The improvements in existence as of the date of this Agreement on the Developer Tract and the Developer Adjacent Property (the “Developer Existing Improvements”) are shown on a separate sheet of Exhibit B.

I. Developer intends to demolish certain of the Developer Existing Improvements, construct and/or remodel and, from and after the Grand Opening Date, Operate the Developer Retail Buildings on the Developer Tract and remodel and, from and after the Grand Opening Date, Operate the Plaza Area. Developer also intends to construct certain

additional Developer Non-Retail Improvements on the Developer Adjacent Property. The Developer Existing Improvements intended to remain and the Developer Retail Buildings intended to be constructed are shown on Exhibit B.

J. Macy is currently doing business in the Macy Building located on the Macy Tract at the location shown on Exhibit B.

K. The Parties desire to develop and integrate the uses of their Tracts so as to create the Retail/Arena Project on the Retail/Arena Project Site shown on Exhibit B.

L. In creating the Retail/Arena Project, Developer, Macy, Arena Co. and the City have entered into that certain Amended and Restated Cross-Easement Agreement of even date herewith (“CEA”) by which certain pedestrian and vehicular access and parking easements are granted in, to, over and across the Parties’ Tracts and the Garages the City owns, and Developer, Macy, and Arena Co. have entered into that certain Amended and Restated Parking Operation and Maintenance Agreement of even date herewith (“POMA”) describing the operation of the parking in the Garages that the City owns.

M. The Parties desire to provide for the construction, renovation, maintenance, Operation and restoration of the buildings in the Retail/Arena Project and the Plaza Area and to make certain other covenants and agreements as are hereinafter more specifically set forth.

NOW, THEREFORE, with reference to the foregoing recitals, and in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree to amend, restate and supersede the Prior COMA in its entirety (with the intent that there be no loss of lien priority, as provided in Section 19.1 of the Prior COMA but that no reference to the Prior COMA be required) as follows:

ARTICLE 1

DEFINITIONS

Listed below are definitions for certain terms that are used in this Agreement with particular meanings. Unless otherwise denoted, a defined term shall include, where appropriate to the context, the noun (singular and plural), verb and adjective forms of the term.

“Affiliate” is a Person that, directly or indirectly, Controls, is Controlled by, or is under common ownership or Control with another Person.

“Arena Co.” is Sacramento Downtown Arena LLC, a Delaware limited liability company, and any Transferee thereof satisfying the conditions of Section 11.1(c).

“Arena Co. Tract” is defined in Recital F.

“Arena Parking Agreement” means that certain Arena Parking Management Agreement, dated as of May 20, 2014, by and between the City and Arena Co.

“Award” is defined in Section 13.1.

“Building” is all portions of the buildings and improvements (including replacements) that exist or are constructed from time to time on a Party’s Tract, excluding the Plaza Area and Garages, but including the Developer Retail Buildings, the Macy store building, the ESC, Perimeter Sidewalks, such kiosks on the Developer Tract as are permitted under this Agreement or otherwise approved by the Parties, and all improvements and facilities, wherever located, which are constructed to permit the exercise of all easements appurtenant to a Party’s Tract.

“Building Site” is each area occupied or to be occupied by a Building shown on Exhibit B.

“CEA” is defined in Recital L.

“City” is the City of Sacramento, California.

“Control” is the power, exercisable jointly or severally, to manage and direct a Person through the direct or indirect ownership of partnership or membership interests, corporate stock and/or voting rights.

“Court” is the portion of the Plaza Area on the north side of the Macy Building designated as “Court” on Exhibit B

“Cure” is defined as follows. When a Party is in Default, such Party (and its Mortgagee, pursuant to Section 18.2) shall be permitted a reasonable or otherwise specified amount of time within which to render remedial performance sufficient to correct said Default, which process shall be known as “Cure.” At its election, the Party serving a notice of Default may also serve a demand for Cure, either contemporaneously with or subsequent to service of the notice of Default. The time for effecting Cure, unless otherwise specified in this Agreement, shall be thirty (30) days. Except as provided elsewhere in this Agreement to the contrary, where a Default is not capable of Cure within said thirty-day period, a Defaulting Party (or its Mortgagee) shall be deemed to have Cured the Default if it shall have commenced Cure within the specified time period and shall have prosecuted the Cure continuously and diligently thereafter to completion provided however that if any Cure shall reasonably require possession, a Mortgagee shall have the opportunity, and shall be deemed to be prosecuting the Cure continuously and diligently to completion, if it takes commercially reasonable steps to commence and diligently proceed with foreclosure prior to Cure (with allowance being given if and to the extent that a bankruptcy or similar filing shall have taken place).

“Damage” is damage or destruction to any Building and/or the Plaza Area caused by any casualty or accident other than condemnation.

“Default” is a Party’s breach or nonperformance of any covenants, obligations, conditions or restrictions applicable to such Party under this Agreement which breach or nonperformance shall be deemed to have commenced upon another Party’s service of written notice thereof on the Defaulting Party. A notice of Default may be accompanied or followed by service of a demand for Cure of the Default.

“Developer” is SG Downtown LLC, a Delaware limited liability company, or any Transferee thereof satisfying the conditions of Section 11.1(c); provided, however, if the then current Developer conveys less than all or substantially all of its interest in the Developer Tract, the “Developer” shall be the owner of such portion of the Developer Tract specified by the transferring Developer by notice to the other Parties, which may be such transferring Developer (and until the transferring Developer shall deliver such notice, the “Developer” shall be the

owner of the portion of the Developer Tract containing the largest amount of Floor Area devoted to retail use).

“Developer Adjacent Property” is defined in Recital D. Any obligations of Developer under this Agreement with respect to the Developer Adjacent Property shall be the obligations of any Transferee as to the portion of the Developer Adjacent Property Transferred to such Transferee.

“Developer Existing Improvements” are defined in Recital H.

“Developer Improvements” means the Developer Retail Improvements and the Developer Non-Retail Improvements, collectively, as the same may exist from time to time, including any replacements thereof.

“Developer Non-Retail Improvements” are those buildings existing from time to time, including any replacements thereof, on the Developer Adjacent Property, which areas are governed only by Articles 4 and 14 and Sections 2.5, 3.6, 3.7, 3.8, 3.9, 3.10, 6.2, 6.4, 8.2 and 8.7.

“Developer Plans” are those certain Developer Schematic Plans, Developer Preliminary Plans and Developer Final Plans, as defined in Section 2.1

“Developer Retail Buildings” are the Buildings designated as such on Exhibit B, located on the Developer Tract, as such buildings may exist from time to time, including any replacements thereof.

“Developer Retail Improvements” are the Plaza Area and Developer Retail Buildings and such other improvements which may exist on the Developer Tract, as the same may exist from time to time, including any replacements thereof.

“Developer Tract” is defined in Recital D.

“Discharge” is the full relief and exoneration from any unaccrued personal liability or responsibility of a Transferor, Mortgagor, Involuntary Transferee (including a Mortgagee) or Party for performance of all covenants, obligations, conditions or restrictions accruing and arising under this Agreement from and after the effective date of the following: with respect to a Transferor, a Transfer; with respect to a Mortgagor, an Involuntary Transfer; with respect to an Involuntary Transferee, a Transfer by such Involuntary Transferee after acquiring title to a Tract (or portion thereof) in an Involuntary Transfer; and with respect to a Party, an event of Release.

“Excuse” is either (i) an event of force majeure under Section 12.1 that interferes with a Party’s ability to perform its obligations under this Agreement or (ii) the Default of another Party, the occurrence of either of which temporarily relieves a Party of its duty to perform a specified covenant or obligation under this Agreement for so long as such occurrence continues or the Defaulting Party does not Cure its Default.

“Exterior Design” is the general architectural theme, elevations, treatment and exterior appearance of the facade of any Building or the Plaza Area, including any portion thereof facing the Plaza Area, but excluding the storefronts of the Occupants of the Developer Retail Buildings, and specifically encompasses the color, configuration, materials, finish, location, design and architectural features of the subject facade and the number, size, location and elevation of exterior-facing signs (other than the usual identification signs of the Macy Building and the Building on the Arena Co. Tract), entrances, fenestrations, protrusions, lights and lighting fixtures on such facade.

“Floor Area” is the aggregate from time to time of the actual number of square feet of floor space on all floors in any structure, whether or not it is roofed or occupied, including basements, subterranean areas, balconies and mezzanines, which is measured from the exterior faces or exterior lines of the exterior walls (including basement walls) and from the center line (as opposed to exterior face) of party and interior common walls. “Floor Area” does not include any of the following:

- (a) The upper levels of any multi-deck stock areas created for convenience to increase the usability of space for stock purposes;
- (b) Areas which are used exclusively to house mechanical (including mechanical penthouses), electrical (including electrical equipment to operate point of sale equipment), telephone, HVAC and other such building operating equipment, and computer rooms housing equipment to operate point-of-sale terminals (including a computer data room), and trash-compacting and baling rooms, whether physically separate or whether otherwise required by building codes;
- (c) Any portion of the Plaza Area, except for areas occupied by kiosks, pushcarts, food court seating areas and other sales areas (see Section 4.4);
- (d) Any (i) Retail/Arena Project management office and/or (ii) Merchants’ Association office, to the extent that the aggregate area of the foregoing offices does not exceed three thousand (3,000) square feet;
- (e) Emergency exit corridors or stairs between fire-resistant walls required by building codes; and
- (f) All truck loading areas, truck tunnels, truck parking, turn-around and dock areas, and ramps and approaches thereto.

Within one hundred and twenty (120) days following completion of any new construction of buildings or enlargement of existing buildings, the constructing Party, at its sole cost, shall deliver to each other Party, a certification by the Party’s architect or an authorized officer of such Party of the number of square feet of Floor Area on the certifying Party’s Tract. If such certification shows that a Party has constructed Floor Area in excess of its Initial Planned Floor Area, without necessity of further documentation, Section 4.1 shall be deemed amended to reflect the increased Initial Planned Floor Area of such Party. Notwithstanding anything contained in this Agreement to the contrary, during the period of any damage, destruction, razing, rebuilding, repairing, replacement or restoration to, on or of any building in the

Retail/Arena Project, the Floor Area of such building shall be deemed to be the same as the Floor Area of such building immediately prior to such period and, upon the completion of the rebuilding, repairing, replacement or reconstruction of such building or of any addition thereto, such Party or such Party's architect shall make a new determination, and furnish a new certification, of the Floor Area of such building as provided above.

“Future Development” is defined in Section 8.2.

“Garage” is any of those certain parking structures that the City owns or will own on the City Tract (as defined in the CEA) and are designated on Exhibit B as “Garage G,” “Garage K” or “Garage U.”

“Grand Opening Date” is the date on which Developer is scheduled to have completed and opened the Plaza Area and the Developer Retail Buildings to the public for business, which date is scheduled to occur approximately October, 2016 (subject to a right of Developer to delay such scheduled date up to one year to October, 2017), or such other date as the Parties shall approve. Notwithstanding anything to the contrary set forth in this Agreement, Developer shall have the right to postpone the development of certain portions of the Plaza Area and Developer Retail Buildings, as set forth on the sheet of Exhibit B designated “Alternative Grand Opening Date Plan”, until a date, which shall be no later than December 31, 2019 unless an additional postponement is approved by Macy, by notice to such effect to the other Parties, and any reference (including but not limited any such reference in Sections 3.3 and 4.1) to the Grand Opening Date, the Initial Planned Floor Area scheduled to open on the Grand Opening Date, and similar references shall be deemed to exclude any such postponed development if Developer exercises such right.

“Ground Leased Tract” is defined in Recital D.

“Immediately Adjacent” refers to that portion of the Plaza Area and those Developer Retail Buildings that are designated on Exhibit B as “Immediately Adjacent Area” as to the Plaza Area and “Immediately Adjacent Retail” as to the Developer Retail Buildings.

“Indemnify” means that a Party (“Indemnitor”) shall indemnify, protect and defend another Party (“Indemnitee”) from and against all loss, claims, actions, liens (including mechanic's liens), proceedings, liability, damages, cost or expense (including Indemnitee's reasonable attorney fees) resulting from the death, bodily injury or personal injury of any Person or physical damage to, or (in case of a mechanic's lien) economic loss of, any property arising out of the specified duties or conduct of the Indemnitor or its agents and employees. An “Indemnitee” shall include a Party and its officers, directors, partners, members, agents and employees. No Party shall be obligated to Indemnify a proposed Indemnitee where the claim or loss underlying Indemnitee's request for Indemnity (a) was caused by the active negligence of Indemnitee, or (b) was caused by such willful, intentional or wanton act or omission of Indemnitee as shall constitute an “occurrence” excluded from coverage under standard California comprehensive public liability and property damage insurance policies as they may exist from time to time, or (c) has been released and waived in accordance with Section 7.4. Notwithstanding the foregoing, such indemnities hereunder shall not apply to consequential or punitive damages.

“Initial Planned Floor Area” is any of the following: with respect to the Developer Retail Improvements and the Developer Non-Retail Improvements, the total Floor Area that now exists or which Developer shall renovate, reconfigure and construct as provided in Section 4.1; with respect to the Macy Tract, the total Floor Area that shall exist on the Macy Tract on the Grand Opening Date, as provided in Section 4.1; and with respect to the Arena Co. Tract, the total Floor Area that shall exist on the Arena Co. Tract on the date the ESC is opened to the general public.

“Involuntary Transfer” is the conveyance or reversion of a Party’s entire interest in a Building and/or Tract (or portion thereof) from a Mortgagor Party or Party who is a tenant (“Involuntary Transferor”) to such Party’s Mortgagee, receiver, purchaser at foreclosure or such Party’s landlord (“Involuntary Transferee”) resulting from any of the following: judicial or nonjudicial foreclosure of the Mortgage; grant of a deed in lieu of such foreclosure; expiration, termination or surrender of a leaseback in a Sale and Leaseback; or termination of such Party’s lease due to the Party’s default thereunder; provided, however, in the event of such an Involuntary Transfer, the Involuntary Transferor shall be deemed to have assigned all of its rights, powers, title and interest in its Tract and this Agreement to the Involuntary Transferee who shall be deemed to have assumed, subject to Section 8.8, all of the Involuntary Transferor’s covenants and obligations thereunder accruing from and after the Involuntary Transfer.

“Macy” is Macy’s West Stores, Inc., an Ohio corporation, successor to Macy’s California, Inc., a Delaware corporation, and any Transferee thereof satisfying the conditions of Section 11.1(c).

“Macy Tract” is defined in Recital C.

“Minimum Floor Area” is that minimum amount of Floor Area for the Building of each applicable Party specified in Section 4.1.

“Mortgage,” “Mortgagor,” “Mortgagee,” and “Sale and Leaseback” are defined as follows: “Mortgage” is any mortgage, indenture of mortgage, a deed of trust on a Tract, or a Sale and Leaseback of the entire interest of a Party (“Mortgagor”) in its Tract. “Mortgagee” is (a) the trustee and beneficiary or mortgagee under a Mortgage or (b) the fee owner or lessor following a Sale and Leaseback, provided said Persons are not in possession of the Tract of any Party. “Sale and Leaseback” is a transaction in which (a) a Party, who is the fee owner of its Tract, conveys the fee or a leasehold estate in such Tract and immediately thereafter the Party, its Affiliate or the guarantor of such Party’s covenants, agreements and obligations under this Agreement, leases or subleases the Tract and retains an option to reacquire the interest in such Tract, or (b) a Party, who holds a leasehold estate in its Tract, assigns said estate or subleases the Tract and immediately thereafter the Party, its Affiliate or the guarantor of such Party’s covenants, agreements and obligations under this Agreement subleases the Tract.

“Northern California” means all of the California counties north of and including Santa Cruz, Santa Clara, Stanislaus, Tuolumne, and Alpine Counties.

“Occupant” is Developer, Macy, Arena Co. and any Person (including the City) from time to time entitled to use and occupy Floor Area in the Retail/Arena Project under any lease, deed or other instrument or arrangement.

“Operate” means: (a) with respect to Macy’s Building, that such Building is (i) open to the general public during the Building’s business hours, (ii) functioning as an integrated business with an entrance open to at least one (1) level of the Plaza Area, and (iii) in use as permitted by Section 4.2; provided, however, that with respect to any provision in this Agreement as to which the Operation of Macy’s Building is a condition to an obligation of

Developer, including but not limited to Sections 8.3 and 9.1, “use as permitted by Section 4.2” shall be deemed a reference to the “Retail Use Condition”; (b) with respect to the Developer Retail Buildings, at least the applicable Minimum Floor Area thereof is available for use as permitted by Section 4.2 and Developer is performing its duties in accordance with Section 9.1; and (c) with respect to the Plaza Area, the entire Plaza Area or those portions thereof that Operator must Operate in accordance with Section 5.2 are open to the general public during the business hours of Macy’s Building, and for not less than one-half (1/2) hour before and after Macy’s Building is open, is lighted and is being managed, repaired and maintained in accordance with Article 5; provided, however, that the term “Operate” shall also refer to any portion of a Building or the Plaza Area, as appropriate, that is not open to the general public or available for its intended use because of (w) restoration work thereon, including restoration under Article 8, (x) an event of force majeure with respect thereto as specified in Article 12, (y) condemnation thereof under Article 13, or (z) reasonable, temporary interruptions incidental to the remodeling or alteration thereof. A Party in Default of its Operation covenant given in Section 9.1 shall be deemed to be Operating during any period of time within which said Party is permitted to Cure its Default, provided said Party actually Cures its Default within said period. There is no obligation of Macy or Arena Co. to Operate its respective Buildings. The operation of the Garages is dealt with in the POMA and the Arena Parking Agreement. The operation of the ESC is dealt with in the Arena Lease Agreement.

“Operate” shall also mean “cause to be Operated.”

“Operator” is Developer with respect to Operation of the Plaza Area in accordance with Article 5.

“Party” is each of the following: Developer, Macy and Arena Co., City and any of their respective Transferees, subject to the provisions of this definition set forth below with respect to transfers of partial, undivided interests in a Tract. A Mortgagee shall not be a Party with respect to a Tract except to the extent such Mortgagor has a possessory interest in the Tract. Subject to Section 8.8, an Involuntary Transferee (and a Transferee thereof) shall become the Party following an Involuntary Transfer but only so long as it retains the entire possessory interest in such Tract.

The Parties hereby acknowledge that the City owns fee title to the Arena Co. Tract and therefore has a current interest in this Agreement. Although City is a Party, it shall be entitled only to such rights and be subject only to such obligations to the extent City is expressly allocated rights or obligations under this Agreement, until such time as City succeeds to the rights and obligations of Arena Co. as set forth in (2) below. City specifically, by executing this Agreement, hereby (1) subjects its fee interest in the Arena Co. Tract and the Sliver to this Agreement; and (2) agrees to be the successor to Arena Co. under this Agreement as to the Arena Co. Tract after the expiration or earlier termination of the Arena Lease Agreement (unless Arena Co. exercises an option to purchase the Arena Co. Tract). Therefore, the Arena Lease Agreement shall be subordinate in priority to this Agreement, provided that as between City and Arena Co., this Agreement shall not be deemed to amend or supercede the Arena Lease Agreement or the rights and obligations of City and Arena Co. to each other thereunder and nothing herein confers third party rights or obligations under the Arena Lease Agreement.

A transferee of any of the following partial interests shall be treated, together with all similar transferees, as a single Party with respect to the Tract:

(a) Any partial, undivided interest in a Party's Tract; provided, however, that the Transfer of a legally subdivided portion of a Party's Tract shall create a new Party and a permitted Transferee;

(b) Any partial, undivided interest in all of a Party's Tract or Tracts, such as may be held by joint tenancy or tenancy-in-common or as a life estate, but not including a partnership interest in a partnership (or a membership interest in a limited liability company) holding all of the interests in such Tract; or

(c) Any partial, undivided interest, legal or equitable, in the assets of any Party that is a Person other than an individual, which interest is not an interest in the Party's Tract, such as a beneficial interest in a Party which is a trust.

Where any Transfer of partial, undivided interests occurs as described in subparagraphs (a), (b) or (c), above, the Persons owning not less than seventy percent (70%) of the Tract or Tracts, or seventy percent (70%) of the shares of the entire estate in the Tract or Tracts, or seventy percent (70%) of the Party's assets not constituting an interest in the Tract or Tracts, shall designate one of their number as such Party's agent (called "Party's Agent" for purposes of this definition of "Party") to act on behalf of all Persons holding such interests, shares or assets so that other Parties shall not be required with respect to said Tract or Tracts to obtain the action or agreement of, or to proceed against, more than one individual or entity in carrying out or enforcing the terms, covenants, provisions and conditions of this Agreement. Such designation shall not be effective until such time as written notice of the designation is recorded in the office of the county recorder of the county and state in which said Tract or Tracts are located and a copy thereof given to the Parties as required by Section 18.1. Any interest owned by any Person who is a minor or is otherwise suffering under any legal disability shall be disregarded in the making of such designation unless there is at such time a duly appointed guardian or other legal representative fully empowered to act on behalf of such Person. The foregoing requirements to designate a Party's Agent shall not apply to stockholders and bondholders of a corporate Party. In the case of an estate for life or years, only the life tenant or tenant for years shall, for purposes of this definition, be deemed to own the interest in the Tract, his determination hereunder shall be final and binding on the remaindermen and, if created by way of trust, final and binding on such trust, trustor, trustee and beneficiaries. Where the circumstances described in subparagraph (c) arise, the Person owning each such interest shall nevertheless be deemed to own a percentage interest of the whole of the Tract or Tracts, or portion thereof, as the case may be, which percentage shall be equal to the percentage interest of such Person in the entity or entities constituting the Party.

Where the Transfer is of partial interests as described above but the Persons owning such partial interests fail to designate the Party's Agent, the acts of the Person who was the Party prior to the Transfer (whether or not such Party retains any interest in the Tract or Tracts in question) shall be binding on all Persons having an interest or right in said Tract or Tracts, until such time as the Party's Agent is designated with notice to all Parties, as provided above. Where the circumstances requiring designation of a Party's Agent arise, all of the other Parties acting jointly or, failing such joint action, any other Party at any time may designate another Party's Agent if any of the following conditions exist:

(d) At any time after any designation of a Party's Agent, there shall for any reason be no duly designated Party's Agent of whose appointment all other Parties have been notified;

(e) Within thirty (30) days after any other Party shall become aware of any change in the ownership of any portion of the Retail/Arena Project or any change in the structure of a Party, no Party's Agent has been designated or notice of such designation (or of such change, if no partial interests have been Transferred) has not been given; or

(f) The designation of such Party's Agent earlier than the expiration of the thirty (30) day period described in subparagraph (e) above, shall be reasonably necessary to enable any other Party to comply with any of its obligations under this Agreement or to take any other action which may be necessary to carry out the purposes of this Agreement.

The exercise of any powers and rights of a Party under this Agreement by such Party's Agent shall be binding upon all Persons having an interest or right in the Party's Tract and upon all Persons having an interest in the Party in question, to the same extent as if such exercise had been performed by the Party. The other Parties shall have the right to deal with and rely solely upon the acts and omissions of such Party's Agent in connection with their performance of this Agreement, but such designation of a Party's Agent shall not relieve any Party from its obligations under this Agreement.

A Party's Agent shall be the authorized agent of its principals for service of any demand for any process, writ, summons, order or other mandate of any nature of any court in any action, suit or proceeding arising out of this Agreement. Service upon such Party's Agent shall constitute due and proper service of any such matter upon its principals. Until a successor Party's Agent has been appointed and notice of such appointment has been given pursuant to the provisions of this definition, the designation of a Party's Agent shall remain irrevocable.

"Perimeter Sidewalks" are those portions of a Party's Tract, adjacent to its Building but not facing the Plaza Area, that are located between the exterior building face and exterior curb faces as shown on Exhibit B and include sidewalks, curbs, landscaping and all other improvements. Perimeter Sidewalks on the Macy Tract and the Arena Co. Tract shall be deemed part of the Building on such Tracts for purposes of Sections 8.1 and 8.4.

"Permittee" is any Occupant and its respective officers, directors, employees, agents, contractors, customers, visitors, invitees, licensees and concessionaires.

"Person" is an individual, partnership, limited liability company, firm, association and corporation, or any other form of business or government entity.

"Plaza Area" is all of those improvements existing from time to time that are available for the general use, convenience and benefit of Permittees, all of which constitute the two-level, open-air shopping Plaza Area which is designated as such on Exhibit B. The Plaza Area includes the following improvements and facilities that are located in the Developer Retail

Improvements but are not located within any Building: public restrooms; a Plaza Area maintenance office and equipment storage area.

“POMA” is defined in Recital L.

“Project Architect” is an architect, duly licensed to practice in the State of California designated by Developer.

“Release” means (a) a Party’s personal obligation to perform a specified covenant, restriction and/or equitable servitude under this Agreement has been Discharged and (b) at the same time, the specified covenant, restriction and/or equitable servitude running with the land and binding the Party’s Tract has been terminated with respect to obligations accruing thereunder from and after the event of Release.

“Retail/Arena Project” is that integrated complex of the Macy Building, Developer Retail Buildings, the ESC and the Plaza Area which the Parties intend to construct, Operate and restore in accordance with this Agreement.

“Retail/Arena Project Site” is the aggregate of the Developer Tract, the Macy Tract and the Arena Co. Tract.

“Retail Use Condition” is defined in Section 4.2.

“SG Tract” is defined in Recital C.

“Sliver” is defined in Recital G.

“Taxes” are all general real property taxes and assessments levied or assessed against a Tract and its improvements located on it.

“Tract” is any of the “Developer Tract,” the “Macy Tract” or the “Arena Co. Tract,” including all improvements located thereon from time to time.

“Transfer” is any voluntary transaction in which a Person (“Transferor”), including an Involuntary Transferee, shall sell, lease, transfer or assign, other than for security purposes, all or substantially all of its interest in its Tract or a subdivided portion thereof together with all of its rights under this Agreement with respect to the portion transferred to a Person (“Transferee”) who shall expressly assume, by duly executed and acknowledged written instrument in recordable form served on all Parties in accordance with Section 18.1, all of Transferor’s covenants, duties and obligations under this Agreement with respect to the portion transferred.

ARTICLE 2

PLANS FOR DEVELOPER RETAIL/ARENA PROJECT
IMPROVEMENTS

Section 2.1 Definitions. For purposes of this Article 2, the following definitions (and any approval rights of a Party as to plans for Developer Retail Improvements) shall apply only to Developer Retail Improvements to be constructed, renovated or reconstructed from time to time within the Court (subject to Section 2.1(d)), and shall not apply to any other portion of the Developer Retail Improvements or any of the Buildings on the Macy Tract or the Arena Co. Tract.

(a) Developer Plans. With respect to the Developer Retail Improvements, there shall be three (3) levels of “Developer Plans”: Developer Schematic Plans; Developer Preliminary Plans; and Developer Final Plans. All of such plans shall be prepared in conformance with the Plaza Area Design Criteria attached hereto as Exhibit E.

(1) “Developer Schematic Plans” are conceptual in nature and include the following: architectural floor plans and elevations; perspectives and renderings of exterior and interior design concepts, including descriptions and actual samples of all colors and materials; layouts and descriptions of exterior and interior landscaping, Occupants’ space (but not necessarily individual leased premises), vertical transportation, and locations of truck docks, service corridors, trash collection and compactor areas. These plans also include Developer’s approximate dates and schedule and its proposed phasing plans for construction of Developer Retail Improvements.

(2) “Developer Preliminary Plans” shall be developed from and substantially conform to the approved Developer Schematic Plans and shall describe and contain the following:

(i) Design and location plans of all Perimeter Sidewalks along the perimeter of the Developer Retail Improvements and all truck loading areas, truck tunnels and truck parking, turn-around and dock areas and ramps;

(ii) Architectural floor plans and elevations of the Developer Retail Improvements;

(iii) Exterior perspective renderings reflecting design concepts of the Developer Retail Improvements;

(b) Layout of all Occupant space in the Developer Retail Buildings (but not individual Occupant premises);

(i) Design of the Plaza Area, attachments of the Plaza Area to the Macy Building, and entrances to such Building and signage for

Macy within the Plaza Area, including architectural floor plans, elevations and renderings;

(ii) Design and location plans for all forms of vertical transportation, seating arrangements, directories and all fixed obstructions in the Plaza Area;

(c) Landscaping plans for the Developer Retail Improvements showing locations, species and illustrations of all landscaping; and

(i) Proposed specifications, including without limitation samples of all actual materials and colors, for the Exterior Design of the Developer Retail Improvements and the amenities for the Plaza Area.

(2) “Developer Final Plans” shall be developed from and substantially conform to the approved Developer Preliminary Plans and shall provide the precise plans and specifications for construction of the Developer Retail Improvements as well as the precise locations of the temporary staging, employee parking, equipment access and fenced areas Developer shall employ during said construction.

(d) Approvals. Macy shall have the right to approve the Developer Schematic Plans for the Court in its sole and absolute discretion. Macy shall have the right to approve the Developer Preliminary Plans and the Developer Final Plans for the Court, which approval shall not be withheld unreasonably so long as such plans substantially conform to the approved Developer Schematic Plans and Exhibit B and satisfy the specifications and criteria set forth in Exhibit E. Subject to Sections 22.4 and 22.6, Macy’s “approval” or “disapproval” of Developer Preliminary Plans and/or Developer Final Plans shall be given within thirty (30) days of Macy’s receipt thereof. Developer shall also provide to Macy for its review schematic and preliminary plans for the Plaza Area outside the Court. Macy shall not have the right to approve such schematic or preliminary plans but shall have the right to provide comments thereon within the time period set forth above. Developer shall review such comments in good faith and shall discuss with Macy any comments as to which Developer disagrees. Developer and Macy shall work diligently and in good faith to resolve any such disagreement, but Developer shall have the right to make the final determination; provided however Macy shall have review and approval rights over the Developer Preliminary Plans and/or Developer Final Plans for the Developer Improvements within the Macy’s Control Area depicted on page 8 of Exhibit B. Macy’s review and approval rights for the Developer Improvements within the Macy’s Control Area shall be limited to reviewing the Developer Preliminary Plans and/or the Developer Final Plans to ensure that the design for the Developer Improvements are of a consistent quality and finish as provided for throughout the remainder of both the Plaza Area and the Court, and do not materially differ from those shown on Exhibit B. Developer further agrees that the quality of the amenities and improvements in Macy’s Court, including all walkways, signage, landscaping, seating, shade, lighting, paving, and other amenities, shall at all times be at least comparable to the quality of the amenities and improvements on the remainder of the Developer Tract.

Section 2.2 Developer Preliminary and Final Plan Approvals. After such time as is reasonably practicable, Developer shall, at its expense, complete and deliver to Macy copies of the applicable Developer Preliminary Plans for the Developer Retail Improvements. Within a reasonable time following Macy's approval (to the extent that Macy has approval rights) of the Developer Preliminary Plans, Developer shall, at its expense, complete and deliver to Macy copies of the applicable Developer Final Plans.

Section 2.3 Macy Court. Macy's approval right shall include, without limitation, the right to approve column locations, material, decor, layout, decorative elements, floor elevations, escalator orientations, lighting, wiring and the furnishings for such portions of the Plaza Area in the Court, but excluding the store fronts of Occupants of the Developer Retail Buildings. Notwithstanding the latitude of Macy's right to approve the design of the Court, Macy shall not have the right to disapprove the design of the Court based on any requirement of Macy that would materially alter the design theme indicated by the Developer Schematic Plans previously approved by Macy for the Plaza Area in the Court.

Section 2.4 Changes in Plans. All Developer Plans that differ from the last approved Developer Plans shall contain a statement by the Project Architect delineating the nature and extent of the changes made. Following approval by Macy of a particular level of Developer Plans, changes in such plans may be made only if the Party requesting the change notifies the other Party (Macy or Developer, as the case may be) of its request and the other Party approves such change. Developer may grant or withhold its approval of a change requested by Macy in Developer's sole and absolute discretion if the change requested materially departs from the previously-approved Developer Plans. Except for a change resulting from an error by the Project Architect, from governmental requirements or from a pre-existing condition, any additional costs which may result from the requested change shall be allocated among Macy and Developer as such Parties agree to in connection with their approval of the change. The Project Architect shall estimate the cost of such changes and the Party or Parties responsible for payment thereof shall approve such cost estimate prior to authorizing the work to proceed.

Section 2.5 Access to Plaza Area. Macy and Arena Co. each agrees that its Building shall be designed to permit access thereto from the Plaza Area on each of the two (2) levels of Macy's Building that abuts the Plaza Area, and on the one (1) level of the ESC that abuts the Plaza Area, in each case in accordance with Exhibit B; provided, however, that Arena Co. shall have the right to control such access for entry to the ESC by ticketing in its sole and absolute discretion.

Section 2.6 Redesignation of Areas Within Building Sites. Subject to the provisions of Sections 4.1, 8.2 and 9.1(g), Developer, Macy and Arena Co. shall each have the right, as to their respective Tracts, within their respective Building Sites, at any time and from time to time, to designate, withdraw and redesignate as Floor Area such areas (excluding fire exterior service corridors that serve another Party) as each, respectively and from time to time, may select; provided, however, (a) that each Party shall improve all such areas at its sole cost and expense in accordance with such designation and all applicable requirements of this Agreement; and (b) so long as Macy is Operating its Building or Arena Co. is operating the ESC, said Party shall provide and maintain those entrances, and only those entrances, from its applicable Building to the Plaza Area as are approximately shown on Exhibit B; provided, however, that Macy shall

have the right, at any time after the entrance is opened, to close the entrance from the east side of its Building to the Plaza Area by providing at least ninety (90) days' prior written notice to Developer.

ARTICLE 3

CONSTRUCTION AND OPENING

Section 3.1 Developer's Commencement of Construction. As soon as reasonably possible after Macy shall have approved the Developer Final Plans, Developer shall commence construction of the Developer Retail Improvements which are addressed by the Developer Final Plans and thereafter shall proceed diligently to their completion in order that the entire Plaza Area and the Initial Planned Floor Area of the Developer Retail Buildings shall be open for business to the general public by the Grand Opening Date, to the extent required by Section 3.3.

Section 3.2 Manner of Construction. At its sole cost, Developer shall construct the Developer Retail Improvements in accordance with the requirements of this Agreement and the approved Developer Final Plans, as applicable, in the locations and with the exterior walls thereof conforming to the building lines shown therefor on Exhibit B. The Developer Retail Buildings shall on the Grand Opening Date contain not less than the Initial Planned Floor Area set forth in Section 4.1. Developer shall reimburse Macy for any increase in costs reasonably incurred by Macy to third parties by reason of the attachment of new structures to the Macy Building by Developer, promptly upon receipt of reasonably detailed invoices showing the payment of such costs.

Section 3.3 Time for Completion, Leasing and Opening of Developer Improvements. On or before the Grand Opening Date, provided that Macy is then Operating, Developer shall: (1) have completed renovation, expansion and construction of the Plaza Area, the new Developer Retail Buildings (at least as to all exterior walls and roofs and any temporary closures which may be required to conceal unfinished Occupant space therein), as shown on Exhibit B (or the sheet of Exhibit B designated "Alternative Grand Opening Date Plan", as the case may be); (2) have the entire Plaza Area open to the public for pedestrian traffic, free from obstructions (except for existing or other necessary construction barricades of Occupants of Developer Retail Buildings), and completely functioning and Operating; (3) have at least sixty percent (60%) of the Initial Planned Floor Area of the completed Developer Retail Buildings set forth in Section 4.1 that opens onto each level of the Plaza Area either open for business or leased under bona fide leases requiring the Occupants thereof to open for business not later than the Grand Opening Date; and (4) use its commercially reasonable efforts to have all of the Floor Area of the completed Developer Retail Buildings open for business on or before the Grand Opening Date.

Section 3.4 Building Entrances. Macy shall coordinate with Developer the construction of a new entrance from the Plaza Area into the east face of the Macy Building. The entrances on both levels of the north face of the Macy Building will remain, but the Plaza Area adjacent to such entrances will be redeveloped.

Section 3.5 Opening Date of Macy. On the Grand Opening Date, Macy shall have its Building open to both levels of the Plaza Area at all planned access points; provided, however,

that Macy shall not be required to have its Building so open unless and until the following conditions have been satisfied:

- (a) The entire Plaza Area shall be completed and open to the public for pedestrian traffic as this Agreement requires;
- (b) Developer shall have complied with the requirements of Articles 2 and 3; and
- (c) the Developer Retail Buildings shall be open for business to the extent required by Section 3.3.

Section 3.6 Interference During Construction. Each Party shall perform its respective work, including any work by Developer (or other Transferee of the Developer Adjacent Property as to the portion thereof Transferred) with respect to the Developer Non-Retail Improvements (whether or not with respect to a future phase), so as not (a) to cause any increase in the cost of constructing the remainder of the Retail/Arena Project or any part thereof which is not reasonably necessary, (b) to interfere unreasonably with the construction of any part of the remainder of the Retail/Arena Project, or (c) to interfere unreasonably with the use, occupancy or enjoyment of any part of the remainder of the Retail/Arena Project by any other Party or Permittee. Without limiting the foregoing, any work performed within the Common Area (as defined in the CEA) in the vicinity of the Building of a Party which is Operating shall be done so that such work or use shall not unreasonably impede or diminish the access of Permittees to such Building during hours that such Building is open for business. So long as the applicable Party complies with the requirements of the construction access and fencing plan attached hereto as Exhibit F, it shall be deemed to have complied with the foregoing two sentences. The Party performing such work shall utilize appropriate precautionary measures to mitigate any adverse impact of such work upon the conduct of business by Parties Operating during the course of such work, including but not limited to dust control, temporary directional signage and temporary barricades with flashers.

Section 3.7 Construction Barricades. Each Party constructing, restoring or renovating any building not fully enclosed by perimeter walls shall erect, in accordance with applicable laws, rules, ordinances and regulations, construction barricades in accordance with Exhibit F that surround and secure such building so being constructed or renovated. Such construction barricade shall be kept in place, in good condition and repair, until hazardous conditions, if any, to Permittees no longer exist and until the building so being constructed or renovated is secure from unauthorized intrusion. All barricades shall be painted in colors approved by the Project Architect. The same requirements shall apply during any work of repair or restoration under Articles 8 and 13 and to any work of construction, repair or restoration of the Developer Non-Retail Improvements (whether or not with respect to a future phase) if other Floor Area is being Operated during such time period.

Section 3.8 Developer's Submission of Construction Schedule. Prior to the commencement of the work to be performed by Developer, including work with respect to the Developer Non-Retail Improvements (whether or not with respect to a future phase), Developer (or the applicable Transferee of the applicable portion thereof) shall, to the extent not shown on

Exhibit F or to the extent revisions to Exhibit F are requested (with respect to the Developer Non-Retail Improvements or otherwise), submit to Macy for approval, which approval shall not be unreasonably withheld (and, as to construction relating to the ESC, shall be withheld only if it materially and adversely affects the operation of the Macy Building), the following (it being agreed that such submissions shall not expand the area over which Macy has the right to approve plans pursuant to Section 2.1). Without limiting the generality of the foregoing, if Developer elects to postpone completion of certain portions of the Plaza Area and the Developer Retail Buildings, as described in the definition of Grand Opening Date, Developer shall submit to Macy for approval a revision of Exhibit F.

(a) a plot plan of the Retail/Arena Project showing (i) the Buildings, (ii) the Plaza Area, (iii) utility connections, (iv) contractors' staging areas, (v) material and equipment storage areas, (vi) construction shacks and other temporary improvements, (vii) access routes which each Party agrees to require its construction personnel to use during the course of such construction or reconstruction and (viii) workmen's parking area; and

(b) a time schedule indicating the approximate date or dates upon which each Party shall cease using each portion of the Retail/Arena Project for the purposes referred to in subsection (a) above. Within thirty (30) days after the submission of such plot plan and time schedule, each Party shall notify the Project Architect whether the same are approved or disapproved in accordance with Section 22.6, specifying the reason therefor if disapproved. If Macy shall disapprove the plot plan and/or the time schedule, the Project Architect, in consultation with the Parties, shall promptly revise the same in order to prevent conflicts in construction and otherwise to resolve the problem raised by Macy.

Section 3.9 Workmanship. Each Party shall cause all of its construction, operation, maintenance, and renovation work to be performed in a good and workmanlike manner, with first-class materials and in accordance with all applicable laws, rules, ordinances, regulations and applicable approvals, including, without limitation, any required mitigation measures and conditions of approval of any land use entitlement applicable to such Party.

Section 3.10 Mechanic's Liens. If any mechanic's lien is filed against the Tract of any Party or the Developer Adjacent Property (referred to in this Section 3.10 as the "liened Party"), the Party (or Operator) who ordered or contracted for the work or materials (or whose tenants ordered or contracted for the work or materials) on account of which the lien was filed (referred to in this Section 3.10 as the "contracting Party") hereby covenants: to pay the same and have it promptly discharged of record or to take such action as may be required reasonably and legally to object to such lien or to have the lien removed from such Tract; and in all events, to have such lien discharged prior to its foreclosure. Upon request of the liened Party, the contracting Party covenants to Indemnify the liened Party and the title insurer of the liened Party's Tract from such lien and furnish a bond or other security as may be required by law to remove, release and discharge such lien of record or to permit the title insurer to issue an endorsement insuring against the effect of the lien.

ARTICLE 4

FLOOR AREA, USE, OPERATION, SIZE AND HEIGHT

Section 4.1 Floor Area. The Initial Planned Floor Area and the Minimum Floor Area of each Party's improvements (other than the ESC or other Building on the Arena Co. Tract) are as follows:

	<u>Developer Retail Improvements and Macy Building</u>	<u>Developer Non-Retail Improvements</u>	<u>Minimum Retail SF</u>	<u>Full Build- Out SF (Includes Possible Future Phases)</u>
Developer Mall Stores:	271,855 sf*	NA	NA	350,000 sf
Immediately Adjacent to Macy:	NA	NA	87,000 sf**	Same
Macy's Store:	332,500 sf	NA	NA	332,500 sf
Hotel:	NA	152,000 sf (230 Rooms)	NA	175,000 sf (250 rooms)
Office:	NA	81,320 sf	NA	475,000 sf
Residential (550 Units):	NA	72,480 sf (59 Units)	NA	550,000 sf
Totals	604,355 sf	305,800 sf	287,000 sf	1,882,500
Parking		2,936		NA

* Will instead be 240,634 sf if the Alternative Grand Opening Date Plan is in effect.

** Will instead be 60,000 sf if the Alternative Grand Opening Date Plan is in effect.

With respect to the foregoing chart: (1) Developer shall not be obligated to construct or, if constructed, leave in place, any square footage designated Developer Non-Retail Improvements; (2) all future phase improvements (those constructed after the Grand Opening Date) may be constructed by the applicable Party, but such Party shall not be obligated to construct them (and if such Party constructs them, such Party may construct them in phases and may construct less than all of the square footage designated as full build out); and (3) the parking figures are included in the foregoing chart for information only. Parking requirements as of the Grand

Opening Date are more fully set forth in the POMA, and parking requirements for any Future Development are more fully set forth in Section 8.2 of this Agreement.

Section 4.2 Uses. Except as provided in this Section 4.2 below, Developer, with respect to the Developer Retail Improvements, shall have the right to use its Tract and/or its Building only for (i) such retail merchandising and retail service businesses (including restaurants) as are common to first class mixed use projects project with a substantial entertainment component in California; and (ii) for such office and storage uses as are incidental and related to such retail businesses. Notwithstanding the foregoing, without Macy's approval (a) retail service uses (excluding restaurants and cinemas) in the Developer Retail Buildings facing the ground floor level of the Plaza Area shall not exceed fifteen percent (15%) of the Floor Area of the Developer Retail Buildings facing the ground floor level of the Plaza Area, nor shall such retail service uses in the Developer Retail Buildings facing the Plaza Area west of 5th Street exceed ten percent (10%) of the Floor Area of the Developer Retail Buildings facing the Plaza Area west of 5th Street; (b) the Floor Area in the Retail/Arena Project shall not be used primarily for general office purposes (but this shall not prevent the use of Developer Non-Retail Improvements for general office purposes); and (c) a cinema or theater may only be located in the areas identified on Exhibit B (subject to the flexibility as to location and alternative uses set forth on Exhibit B); provided, however, that the right to approve any failure of Developer to adhere to the foregoing restrictions shall be applicable only if the Retail Use Condition is being satisfied by Macy. The Party owning any portion of the Developer Non-Retail Improvements shall have the right to use its Developer Non-Retail Improvements only for the following purposes: retail merchandising; retail services; cultural and educational purposes; general, administrative, business, medical and professional offices; hotel; multifamily (rental and/or for sale, expressly permitting condos); and such other uses that are not detrimental to a first-class mixed use project with a substantial entertainment component; provided, however, that the foregoing restrictions shall not be applicable unless the Retail Use Condition is being satisfied by Macy. In order to satisfy the "Retail Use Condition", Macy must be Operating its Building as a department store or for other retail uses that that are not detrimental to first class mixed use projects with a substantial entertainment Component in California. If Macy is not satisfying the Retail Use Condition, notwithstanding anything set forth in this Agreement, including but not limited to this Section 4.2, Developer's permitted uses of the Developer Tract shall only be limited to the requirement that such uses not be detrimental to first class mixed use projects with a substantial entertainment component in California. The location of each type of use of the Developer Non-Retail Improvements intended to be completed as of the Grand Opening Date shall be only in the areas identified on Exhibit B (subject to the flexibility as to location and alternative uses set forth on Exhibit B and subject to Macy approval of any changes). Exhibit B also designates the areas on which Developer Non-Retail Improvements may be constructed after the Grand Opening Date, but the location of each type of use need not be set forth on Exhibit B and is not subject to approval. Subject to Macy's obligation as to the Grand Opening Date set forth in Section 3.5, the Macy Building and the ESC may be used after the Grand Opening Date for any use not detrimental to a first-class mixed use project with a substantial entertainment component in California (or the then use of the Developer Tract if other than as a first-class mixed use project with a substantial entertainment component in California), it being agreed that use of the ESC primarily as an arena for professional sporting events and other high quality entertainment events (and any other uses that are typical for major city professional sports arenas

that do not violate its agreements with the City and other governmental requirements relating thereto and are not detrimental to a first-class mixed use project with a substantial entertainment component in California or the then use of the Developer Tract if other than as a first-class mixed use project with a substantial entertainment component in California) shall satisfy such standard.

Section 4.3 Limitation on Detrimental Characteristics. Notwithstanding any other provision of this Agreement, no use or Operation shall be made, conducted or permitted on any part of the Retail/Arena Project Site or Developer Non-Retail Improvements which use or Operation is clearly objectionable to the development or Operation of the Retail/Arena Project or in violation of applicable laws, rules, ordinances or regulations. Included among the objectionable uses or Operations are those that produce or are accompanied by the following characteristics, which list is not intended to be all-inclusive:

- (a) any noise, litter, odor or other activity which may constitute a public or private nuisance;
- (b) any unusual fire, explosive or other damaging or dangerous hazard (including the storage, display or sale of explosives or fireworks);
- (c) any warehouse operation, or any assembling, manufacturing, distilling, refining, smelting, industrial, agriculture, drilling or mining operation;
- (d) any trailer court, mobile home park, lot for sale of new or used motor vehicles, labor camp, junk yard, stock yard or animal raising (other than pet shops located more than one hundred fifty feet (150') from the entrance of Macy onto the Plaza Area and veterinarians which otherwise comply with the provisions of this Section 4.3);
- (e) any dumping, disposal, incineration or reduction of garbage or refuse other than handling or reducing such waste if produced on the premises from authorized uses and if handled in a reasonably clean and sanitary manner;
- (f) any laundry or dry cleaning plant, laundromat, veterinary hospital (subject to Section 4.3(d)), car washing establishment, mortuary or similar service establishment;
- (g) any automobile body and fender repair work;
- (h) emission of any substance, gas, particulate matter, audio, radio or infrared electromagnetic wave frequency or other form of radiation that interferes with the business of any Occupant;
- (i) any use which would be detrimental to a first-class retail operation, including, but not limited to, any prison or detention facility, free health clinic, drug rehabilitation center, homeless or other type of shelter, or any facility for the collection and/or distribution of donated goods;

(j) any video arcade within either the Developer Non-Retail Improvements or the Retail/Arena Project Site; provided, however, that this shall not limit gaming uses if the applicable retail facility is not entirely devoted to video arcade use, for example, gaming use in a portion of an entertainment and/or restaurant establishment, including but not limited to Lucky Strike and Dave and Busters; or

(k) adult entertainment uses, which shall mean any theater or other establishment which primarily shows or previews, or prominently displays, advertises, or conspicuously promotes for sale or rental: (A) movies, films, videos, magazines, books, or other medium (whether now or hereafter developed) that are rated "X" by the movie production industry (or any successor rating established by the movie production industry) or are otherwise of an obscene nature (but not including the sale or rental of movies, films, or videos for in-room viewing within a hotel); or (B) sexually explicit games, toys, devices, or similar merchandise.

Section 4.4 Noninterference with the Plaza Area. No merchandise and/or services shall be displayed, sold, leased, stored or offered for sale or lease outside the physical limits of the Floor Area in the portion of the Retail/Arena Project west of 5th Street without Macy's approval, except (a) from those kiosks shown on Exhibit B, (b) from portable merchandising carts (provided the design, operation and location of such portable merchandising carts is approved by Macy pursuant to the terms of the immediately-following paragraph), and (c) in connection with occasional Retail/Arena Project-wide promotions that Macy shall have approved in advance. The kiosks, merchandising carts and temporary merchandising units referred to in this Section 4.4 above shall be designed so as to be architecturally harmonious with the Plaza Area and shall be constructed with and continuously maintained in a neat and first-class appearance. Unless Macy approves, all special events and retail sales made from kiosks, merchandising carts and/or temporary merchandising units (regardless of whether located west of 5th Street) shall be conducted so as not to (and no fences or other similar obstructions shall) (i) interfere with or obstruct the sight lines, or visibility of the entrances to or signs of the Macy Building, (ii) materially impede or interfere with circulation of pedestrians within the Plaza Area, the use by Permittees of Macy of the Plaza Area, or ingress and egress to the Macy Building; provided, however, that notwithstanding anything to the contrary in this sentence, if a passageway of a reasonable size for pedestrian access shall be retained, the Plaza Area east of 5th Street may be (1) temporarily closed down for events (including but not limited to those associated with the ESC); and (2) temporarily used for a broad variety of uses, including but not limited to entertainment related uses, ice skating, food bazaars, farmer's markets, sports related activities, seasonal events, festivals, concerts, holiday celebrations (including events that block non-paid access provided that such paid access shall not extend to the entire Plaza Area and shall be strictly limited to admission fees for particular events or limited venues such as a skating rink). Without Macy's approval (which approval shall be granted unless Macy reasonably determines that a closure is likely to materially and adversely impact Macy's business and that Developer will not be mitigating such impact, for example, by way finding signs), no such closures shall be for longer than four (4) consecutive days, no such closures shall occur during any period between November 15th and the next following January 15 (except closures relating to holiday events), and no such closures shall occur in the area designated on Exhibit B as the "No Closure Area". Developer shall have the right to enter into a separate agreement with the

City for a recreational easement over the Plaza Area east of 5th Street, subject to Macy's approval of the location and terms of the easement, which approval shall not be unreasonably withheld.

The design, operation and location of the portable merchandising carts in the Plaza Area west of 5th Street must be approved by Macy as follows. In the event Developer desires to operate a portable merchandising cart program within the aforesaid portion of the Plaza Area, Developer shall submit for the approval of Macy such program, including the number, size, appearance and location of such carts, by delivering to Macy a request for the same with all of the particulars of such program, including, but not limited to, restrictions on the number, use, size, design and location of the portable merchandising carts, cart operation rules and colored renderings of the carts representing the design and detail of the carts. All sales made from such portable merchandising carts shall be conducted (i) in good taste; (ii) so as not to interfere with the use of, access to, or obstruct the visibility of the entrances to the Building or the signs of Macy; (iii) so as to maintain a minimum clearance of twelve (12) feet around all sides of each cart, so as not to impede or interfere with circulation of pedestrians within the Plaza Area, the use by Permittees of the Plaza Area, or ingress and egress to store entrances located within the Developer Retail Buildings; (iv) so as not to create any unreasonable noise and/or litter; (v) so that the pushcarts will remain in a stationary position during the hours of operation of the same, unless the program requested by Developer and approved by Macy specifically calls for movement of the carts during the hours of operation and specifically describes such movement and the hours of operation at each different location; and (vi) in conformance with the program requested by Developer and approved by Macy. Macy's approval of the portable merchandising cart program shall be conditioned upon strict adherence to the materials submitted to Macy by Developer and the other foregoing standards. If, in the reasonable judgment of Macy, the portable merchandising cart program is implemented in the Plaza Area west of 5th Street in a manner which violates any of the approved or other foregoing standards and, after notice to Developer, the violation is not cured within ten (10) days' time after such notice, or if such violation cannot reasonably be cured within said ten (10) day period, Developer shall fail to use diligence in curing the same, upon further notice and demand from Macy to Developer, the approval of Macy of such portable merchandising cart program shall be terminated and such carts shall not be permitted thereafter without the subsequent approval of Macy. For the purposes hereof, advertising shall not be deemed sales (even if e-mail or website addresses are included in such advertisement).

Kiosks and portable merchandising carts shall be permitted in the Plaza Area east of 5th Street without Macy approval if they satisfy the following criteria: (a) a minimum clearance of twelve (12) feet is maintained around all sides of each kiosk or portable cart (except that if such kiosk or portable cart abuts a fixed wall, no clearance is required on such side), and (b) no kiosk or cart shall be located within the area designated on Exhibit B as the "Macy's Control Area".

Section 4.5 Obstructions. Except as shown on Exhibit B and except for Plaza Area amenities such as benches, planters, tables and chairs and subject to Section 3.7, no fence or other obstruction of any kind shall be placed, kept, permitted or maintained on the portion of the Plaza Area west of 5th Street, except that the limitation of the foregoing to the Plaza Area west of 5th Street is not intended to limit the provisions of Section 4.4 that apply to the portion of the Plaza Area east of 5th Street.

ARTICLE 5

OPERATION AND MAINTENANCE OF THE PLAZA AREA AND PERIMETER SIDEWALKS

Section 5.1 Designation of Operator. The Parties designate Developer as Operator, and Developer accepts such designation. Although Developer may delegate Operator's obligations hereunder without any Party's consent, Developer may only transfer such obligations and withdraw as Operator in connection with Developer's Transfer of the Developer Tract or portion thereof and such Transferee's assumption of Operator's obligations accruing thereafter.

Section 5.2 Plaza Area Standards. Subject to Articles 8, 11, 12 and 13, from and after the Grand Opening Date, Operator shall Operate all of the Plaza Area in good order, condition and repair, in a first-class condition and in accordance with practices prevailing in first-class mixed use projects with a substantial entertainment component in California, without expense to Macy except as may be set forth in a separate agreement between Developer and Macy; provided, however, that if at any time at least one (1) of Macy is not Operating its Building and Arena Co. is not Operating its Building, Operator shall be required to Operate only those portions of the Plaza Area that is in the Immediately Adjacent Area next to Macy (if Macy is Operating its Building) or within the Arena Co. Plaza Operating Area shown on Exhibit B (if Arena Co. is Operating its Building).

Without limiting the generality of the foregoing, Operator shall Operate the Plaza Area in accordance with the following standards:

(a) Operator shall regularly clean and maintain the surface of the Plaza Area so that the surface remains smooth and evenly covered with the type of surfacing material originally installed thereon, or such substitute thereof as shall have been approved by all the Parties.

(b) Operator shall remove all papers, debris, filth, refuse, surface waters, snow and ice from the Plaza Area and wash or thoroughly sweep paved areas, as required.

(c) Operator shall clean, repair and maintain all lighting fixtures within the Plaza Area and relamp and reballast them as needed.

(d) Operator shall maintain the landscaping within the Plaza Area in a first-class, thriving condition.

(e) Operator shall maintain all signs identifying the Retail/Arena Project and cause the Occupants of the Developer Retail Buildings to maintain their storefront signs, in a clean and orderly condition, including relamping and repairing as may be required.

(f) Operator shall employ trained, qualified and courteous personnel to patrol the Plaza Area in such numbers and during Building hours and such other hours as may be prudent for the orderly Operation of the Plaza Area.

(g) Operator shall maintain and keep in a first-class, clean and sanitary condition public restrooms and other common use facilities within the Plaza Area.

(h) Operator shall clean, repair and maintain all mechanical, electrical and utility facilities and systems that are a part of or serve the Plaza Area, including without limitation vertical transportation equipment, sprinkler and fire control systems and mechanically actuated and manually operated doors.

(i) Operator shall clean, repaint or refinish and otherwise maintain the structure of the Plaza Area, including, without limitation, wall surfaces, doors and other appurtenances to the Plaza Area.

(j) Operator shall furnish necessary pest (including rodent) abatement controls.

(k) Operator shall provide commercially reasonable security patrols.

Section 5.3 Perimeter Sidewalks. At its sole cost, each of Macy (except as may be set forth in a separate agreement between Developer and Macy) and Arena Co. (except as may be set forth in a separate agreement between Developer and Arena Co.) shall, maintain, repair and replace the curbs, sidewalks, landscaping, planter boxes, landscape irrigation systems and landscape drainage systems, if any, contained within the Perimeter Sidewalks located on its Tract in accordance with those standards set forth in Section 5.2 applicable to the Plaza Area.

Section 5.4 Self-Help Cure Rights. In the event Operator fails to Operate the Plaza Area as provided in this Article 5, either Macy or Arena Co. may notify Operator in writing of such Default in Operation, specifying the respects in which it considers Operator's performance to be in Default. If Operator fails to Cure such Default or to commence and diligently proceed to Cure such Default within fifteen (15) days after such written notice, the notifying Party shall give Operator a second written notice of such Default. A copy of each such notice shall also be provided to Developer, if different than Operator, and to the other Party for informational purposes only. Upon the failure of Operator to Cure such Default or to commence (and diligently proceed) to Cure such Default within ten (10) days after such second written notice, in addition to all other rights and remedies the notifying Party may have, such Party shall also have the right, but not the obligation, to render the performance reasonably necessary to Cure the Default. Notwithstanding anything hereinabove contained to the contrary, in the event of any emergency situation which threatens immediate injury to Persons or immediate damage to property, or material interference with access to any Garage or the parking therein or with access to either Party's Building, the affected Party may, without the notice required above, but with such notice as is reasonable under the circumstances, Cure any such matter. In both cases the Party Curing the Default shall have the right, upon demand, to reimbursement from Operator for the reasonable costs and expenses incurred by such Party in effectuating such Cure, and if such demand is not paid within thirty (30) days, such Party may, in addition to any other right or remedy it may have, offset the same plus interest at ten percent (10%) per annum from the date of the demand against any sum next due from such Party to Operator.

In the event Operator disputes the occurrence of such Default, or if a Party has demanded reimbursement for costs incurred in responding to an alleged emergency situation and Operator disputes the need for such action or the costs incurred by such Party, Operator shall so notify all Parties within fifteen (15) days of Operator's receipt of the initial notice of Default or Operator's receipt of demand for reimbursement, as applicable. The Parties involved in such dispute shall use all reasonable efforts to resolve such dispute.

ARTICLE 6

INDEMNIFICATION AND PUBLIC LIABILITY INSURANCE

Section 6.1 Operator's Indemnity. Developer, as Operator, or any other Party acting as Operator (collectively, "Indemnitor"), covenants to Indemnify each other Party ("Indemnitee") with regard to Indemnitor's Operation of the Plaza Area.

Section 6.2 Party's Indemnity. Each Party ("Indemnitor") covenants to Indemnify each other Party ("Indemnitee") with regard to Indemnitor's Operation of its Building and use of the Retail/Arena Project and, in the case of Developer or such other Party owning the Developer Adjacent Property, the Developer Adjacent Property.

Section 6.3 Operator's General Liability Insurance - Plaza Area. Throughout the term of this Agreement and at its sole cost, except as may be set forth in separate agreements with Macy or Arena Co., Operator shall maintain, or cause to be maintained, in full force and effect, with a financially responsible insurance company licensed to do business in the State of California, commercial general liability insurance, occurrence form, at least as broad as ISO CG0001 or the equivalent, statutory workers' compensation, and automobile liability insurance, covering claims arising from Operator's Operation or use of the Plaza Area that (a) occur during the term of this Agreement (regardless of when the claim is filed but subject to statutory time limits), and (b) result in bodily injury, personal injury or death to any Person and/or damage or destruction of property. Said insurance shall have a combined single limit of liability per occurrence of not less than Ten Million Dollars (\$10,000,000), which may be provided by a primary insurance carrier and an additional umbrella or excess policy that follows the form of the underlying primary policy. By endorsements, such insurance policy shall provide coverage for liability arising from the premises, its operations, personal injury, completed operations, and, to the extent customarily covered by contractual liability insurance, contractual liability extending to the Indemnity given in Section 6.1.

Section 6.4 General Liability Insurance - Tracts (Excluding the Plaza Area). Each Party shall, severally, at all times during the term of this Agreement, maintain in full force and effect commercial general liability insurance with a financially responsible insurance company or companies, with amounts and coverages for claims arising out of occurrences, accidents and/or incidents on its Tract and, in the case of Developer or such other Party owning the Developer Adjacent Property, the Developer Adjacent Property, excluding the Plaza Area, arising out of said Party's Operation or use of its Tract, excluding the Plaza Area and excluding the Garage (it being acknowledged that insurance for the Garage is dealt with in the POMA) that are identical to the amounts and coverages required under Section 6.3 for the Plaza Area. Such

insurance shall, to the extent customarily covered by contractual liability insurance, provide a contractual liability endorsement covering the Indemnity given in Section 6.2.

Section 6.5 Blanket Insurance and Self-Insurance. A Party may provide the insurance described in Sections 6.3 and 6.4 in whole or in part through a policy or policies covering other liabilities and locations of the Party or its Affiliates and may satisfy the insurance requirements referred to in Sections 6.3 and 6.4 in whole or in part through any plan of self-insurance maintained from time to time by such Party; provided such Party complies with the requirements of this Section 6.5. A Party electing to self-insure shall do the following:

- (a) notify all other Parties;
- (b) have and maintain (together with any guarantor of all of such Party's duties under this Agreement) a net worth of at least Three Hundred Million Dollars (\$300,000,000) and net current assets of at least One Hundred Million Dollars (\$100,000,000); and
- (c) furnish to any other Party requesting the same evidence of such net worth and net current assets.

The most recently published annual report of any such Party (or its guarantor, if any) that is audited by an independent certified public accountant shall be sufficient evidence of a Party's net worth and net current assets. If any Party is qualified to and elects to self-insure pursuant to the provisions of this Section 6.5 and thereafter elects not to self-insure, it shall give at least thirty (30) days' prior notice to each of the other Parties.

Section 6.6 General. From time to time, at the request of any Party, the amounts of insurance limits and deductibles and the self-insurance requirements provided for in this Article 6 may be reevaluated and adjusted as appropriate, but any such adjustment shall be within the reasonable discretion of the Parties. All Parties not electing to self-insure shall provide insurance as specified in this Article 6 in accordance with the following standards. Upon request, the Party obtaining such insurance (the "Named Insured") shall furnish to the other Parties evidence that the required insurance is in full force and effect, that the premiums therefor have been paid or are being paid in installments without any delinquency at that time and that the insurance is of "occurrence" type. All insurers shall be financially responsible and have ratings in the "Best's Key Rating Guide" of "A-" or better and a financial size category rating of "VII" or better. All insurance policies (including endorsements) shall (a) cover all Parties other than the Named Insured as additional insureds thereunder, (b) specify that the coverage afforded any such additional insured is primary to the extent such additional insured is entitled to Indemnity under this Article 6, (c) have a cross-liability clause, and (d) provide that such insurer shall endeavor to provide thirty (30) days' prior written notice of cancellation to all insureds.

ARTICLE 7

PROPERTY INSURANCE

Section 7.1 Developer's Property Insurance. Effective from the date hereof and continuing until Developer is no longer Operating or required to Operate the Developer Retail

Improvements, Developer covenants to the other Parties that it shall carry “coverage which applies to direct physical loss or damage to covered property from a covered cause (or all covered causes), not hereinafter excluded or limited” on an “agreed amount replacement cost basis” (exclusive of excavations, foundations and footings and without deduction for depreciation), or if more appropriate its “Probable Maximum Loss” for the specific perils of earthquake and flood. Deductibles should be equal to no more than \$250,000 per occurrence for “all other perils” with the exception of earthquake and flood, which shall not have deductibles exceeding five percent (5%) of total insurable value. Such insurance shall be carried with financially responsible insurance companies licensed to do business in the State of California. Developer agrees that such policies shall contain a provision that the insurer shall endeavor to provide thirty (30) days’ prior written notice of cancellation to all insureds.

Section 7.2 Property Insurance of Macy and Arena Co. Each of Macy and Arena Co., with respect to its Building, covenants with all other Parties that it shall carry insurance coverage which is equivalent in coverage and scope to the Developer’s insurance described in Section 7.1 in addition to insurance coverage that each determines is appropriate for its own exposures and operations.

Section 7.3 Blanket Insurance; Self-Insurance; and Alternative Insurance. A Party may provide the insurance described in Sections 7.1 and 7.2 in whole or in part through a policy or policies covering other liabilities and locations of the Party or its Affiliates; provided, however, that such policy or policies of any Party not entitled to self-insure under Section 7.1 or this Section 7.3 shall allocate to the properties required to be insured by this Article 7 the full amount of insurance required hereunder.

Notwithstanding anything to the contrary contained in this Article 7, a Party may satisfy, in whole or in part, its insurance obligations under this Article 7 with a plan of self-insurance maintained from time to time by such Party; provided, that the Party so self-insuring (together with its guarantor so long as such guarantor guarantees the Party’s restoration obligations) shall so notify all other Parties, shall maintain a net worth of at least Three Hundred Million Dollars (\$300,000,000) and net current assets of at least One Hundred Fifty Million Dollars (\$150,000,000) and shall furnish to any other Party requesting the same evidence of such net worth and net current assets. The most recently published annual report of any such Party (or its guarantor) that is audited by an independent certified public accountant shall be sufficient evidence of its net worth and net current assets. If any Party is qualified to and elects to self-insure pursuant to the provisions of Section 7.1 or this Section 7.3 and thereafter elects not to self-insure, it shall give at least thirty (30) days’ prior notice thereof to each of the other Parties.

Notwithstanding anything to the contrary set forth in this Agreement, a separate insurance agreement between two (2) or more interested Parties may supersede the specific language in this document if the mutually agreed to alternative accomplishes the same intent to protect the property and assets of all impacted parties by improving the language, insuring methods, and the cost effectiveness of type of insurance programs obtained. By way of example, but not limitation, two (2) or more Parties may agree to obtain a joint property insurance policy. If they do so, the restoration provisions of Article 8 shall be construed so as to permit restoration by one (1) Party of property on its Tract and on the Tract of the other Parties covered by such joint policy, to the extent that restoration is required by this Agreement.

Section 7.4 Mutual Release; Waiver of Subrogation. Each Party hereby releases and waives for itself, and to the extent legally possible for it to do so, on behalf of its insurer, each of the other Parties and their officers, directors, agents, partners, members, servants and employees from liability for any loss or damage to any or all property (including any liability for such Party's or any of its Occupants' loss of rents or profits) located on the Retail/Arena Project Site, which loss or damage is of the type said Party is required to insure against by this Article 7, irrespective of any negligence on the part of the released Party which may have contributed to or caused such loss or damage. Each Party covenants that it will, if generally available in the insurance industry, obtain for the benefit of each such released Party a waiver of any right of subrogation which the insurer of such Party may acquire against any such Party by virtue of the payment of any such loss covered by such insurance.

In the event any Party is by law, statute or governmental regulation unable to obtain a waiver of the right of subrogation for the benefit of each other Party, then, during any period of time when such waiver is unobtainable, said Party shall not have been deemed to have released any subrogated claim of its insurance carrier against the other Parties, and during the same period of time each other Party shall be deemed not to have released the other Party who has been unable to obtain such waiver from any claims it or its insurance carrier may assert which otherwise would have been released pursuant to this Section 7.4.

Section 7.5 Certificate of Insurance. Each Party shall, at the request of another Party, promptly furnish the requesting Party a certificate from its insurer evidencing the Party's compliance with the insurance coverage requirements of this Article 7.

Section 7.6 Insurance Trustee. Unless it is then qualified to self-insure pursuant to Section 7.3, Developer covenants that, where any insured loss exceeds One Million Dollars (\$1,000,000), the policy of insurance shall expressly provide that the amount of any recovery thereunder shall be paid in trust to an insurance trustee, which shall be either the Mortgagee of Developer's Tract or such bank or trust company qualified under the laws of the State of California and approved by the other Parties as Developer shall designate to take custody and handle disposition of the insurance proceeds as provided in this Section 7.6. Developer shall pay its trustee's fees.

In every case of Damage to the Developer Retail Improvements or the Macy Building or the Building on the Arena Co. Tract, the Party involved shall use all proceeds of such insurance, whether or not deposited in trust but excluding the proceeds of any rental value, or use and occupancy insurance, to restore, repair or rebuild the same with all reasonable diligence to the extent required by Sections 8.3 or 8.4, or, if not so required, to clear, improve and maintain the same, as required by Section 8.7.

The trustee shall pay the insurance proceeds to Developer, or to its contractor or contractors, in the discretion of the trustee, as follows.

- (a) At the end of each month or from time to time as may be determined by the trustee, against Developer's independent, licensed architect's certificate, the trustee shall disburse an amount equal to that proportion of the total amount held in trust which ninety percent (90%) of the payments to be made to the

contractors or suppliers of material for work done, material supplied and services rendered during each month or other relevant period bears to the total contract price; provided, however, that as a condition precedent to such disbursement, Developer shall first have expended for restoration the amount in excess of the insurance proceeds to be received which will be needed to complete the restoration or repair work.

(b) At the completion of the work, the balance of such proceeds required to complete the payment of such work shall be paid to Developer, or to its contractor or contractors, as the trustee deems appropriate; provided, however, that at the time of such payment (1) there are no mechanic's liens against the Retail/Arena Project Site by reason of such work and the time period within which a mechanic's lien may be filed has expired, or proof has been submitted that all costs of work theretofore incurred have been paid to, and accepted by, all potential lien claimants, and (2) Developer's architect shall certify that all required work has been completed in accordance with the approved plans and specifications and is of the same quality and class as the original work required by this Agreement. The trustee shall pay any funds not required for restoration, razing and/or clearing to Developer, or its Mortgagee, as their interests may appear.

Section 7.7 General. From time to time, at the request of any Party, the amounts of insurance limits and deductibles and the self-insurance requirements provided for in this Article 7 shall be reevaluated and adjusted as appropriate.

ARTICLE 8

REPAIR, MAINTENANCE, ALTERATIONS AND RESTORATION

Section 8.1 Maintenance. From and after the date hereof, and subject to Article 3, each Party (excluding the City unless and until it shall become the successor to Arena Co.) shall keep and maintain, or cause to be kept and maintained, in good order, condition and repair all completed portions of, as to Macy and Arena Co., its Building and, as to Developer, the Developer Retail Improvements.

Section 8.2 Alterations. Any Party shall have the right to alter (a) the interior of its Building, in its sole and absolute discretion, at any time and without the approval of any other Party, and (b) the Exterior Design of its Building at any time after the Grand Opening Date only in accordance with this Section 8.2.

From and after a Party's completion of construction, renovation or restoration of any improvements pursuant to Articles 3 and/or 8, (excepting this Section 8.2), at least thirty (30) days prior to a Party's commencement of any alterations affecting the Exterior Design of its Building (as to Macy and Arena Co.) and the Developer Retail Improvements and/or the Plaza Area (as to Developer), such Party shall deliver its alteration plans to the other Parties for their review and comment. Macy shall have the right to approve all alterations to the Exterior Design of the Plaza Area and the Developer Retail Buildings (excluding the storefronts thereof) within the Court and shall also have the rights set forth in Section 2.1(d). Macy shall have the right to

add entrances to the western or southern sides of its Building to access any Floor Area in its Building in use as a restaurant.

The following shall apply to future construction after the Grand Opening Date of new Developer Improvements (“Future Development”), as distinguished from alterations of existing Developer Improvements (which are governed by the foregoing provisions of this Section 8.2):

(a) Developer shall be entitled to expand the Developer Improvements within the Developer Tract only at the locations shown on the Site Plan. Developer will provide Macy with notice of any material public hearings concerning future governmental approvals for Future Development of the Developer Improvements, and other information reasonably requested by Macy with respect to Future Development.

(b) Future Development shall not result in a closure of the entrances and exits to and/or from the Retail/Arena Project without the prior consent of Macy.

(c) Developer agrees that parking for the Retail/Arena Project shall be distributed among the Garages as set forth on Exhibit D – Parking Operation Parking Plan of the POMA (or if required, in new parking structures within the Future Development area to accommodate additional parking requirements not satisfied by the parking supply in the existing Garages). The parking requirements on the Retail/Arena Project for Future Development shall be calculated and determined based on the specific independent variables (square feet, rooms, seats, units) for each land use for each hour on a December Weekday and a December Weekend Day as detailed on Exhibit D – Parking Demand Analysis included in the POMA. Any parking for Future Development, when aggregated with existing parking within the Macy Tract, Developer Tract, Developer Adjacent Tract, City Tract and Arena Co. Tract, must meet municipal code and be scheduled to be completed and must be completely open and fully operational either prior to or simultaneously with the opening of the applicable Future Development improvements. Developer shall not apply to change the governmental parking requirements for Future Development so as to make them less stringent than required in the second sentence of this paragraph (c) without the consent of Macy.

(d) Developer agrees that the construction staging for construction for Future Development shall be subject to approval of Macy and that such construction staging shall be planned to mitigate the impact to the ongoing Operation of the Macy’s Building to the extent reasonable possible. Developer further agrees that (a) the Plaza Area shall remain open during any period of construction of Future Development (subject to temporary closures approved by Macy of parking areas during periods of construction only when it is absolutely necessary), and (b) the parking for the Retail/Arena Project shall be maintained in compliance with the required parking established in the POMA during any period between November 1 and the next following January 15 (“Critical Period”); provided, however, that the requirements in (a) and (b) shall be subject to any exceptions to such requirements that are approved by Macy.

(e) Developer agrees that the construction schedules for any single construction project for Future Development will not extend in duration for more than one Critical Period without the consent of Macy.

(f) Macy shall have the right to review and consent to any modification to the locations of the pedestrian and vehicular connections to and from the Plaza Area, Garages and to the remainder of the Retail/Arena Project Site.

(g) In the event that Developer fails to provide the required parking either during construction or at the opening of any Future Development, subject to staging plan submittals approved by Macy, such failure shall constitute a default by Developer after notice and a reasonable cure period and the provisions of the COMA and POMA, to the extent applicable, shall apply.

(h) All construction work performed in connection with Future Development shall (i) be completed, with due diligence, at the sole cost and expense of the Party performing the same; (ii) comply with good construction practices; and (iii) be performed so as to minimize interference with the Macy Tract.

Section 8.3 Restoration of Developer Retail Improvements. Developer covenants to and with Macy that, if Damage to all or any portion of the Developer Retail Buildings and/or the Plaza Area occurs, Developer shall restore the same as follows:

(a) Developer shall, at its sole cost and with all due diligence, restore at least those Developer Retail Improvements that are Immediately Adjacent to the Macy Building if Macy was Operating its Building immediately prior to the occurrence of the Damage, provided that Macy shall notify Developer that Macy covenants to restore, as necessary, and to continue so Operating its Building (but for no minimum amount of time). Notwithstanding anything contained in this Agreement to the contrary, Developer shall be relieved of its restoration duties under this Section 8.3(a) only in each of the following circumstances:

(1) If the Damage to the Developer Retail Improvements was caused by a peril not required to be, nor in fact, insured against under Section 7.1 and the then-cost of restoration exceeds five percent (5%) of the total replacement cost of all of the Developer Retail Improvements;

(2) If the Damage to the Developer Retail Improvements was caused by a peril required under Section 7.1 to be, or in fact, insured against and, in either case, the cost of restoration exceeds ten percent (10%) of the total replacement cost of the Developer Retail Improvements; provided, however, that if Macy was Operating its Building immediately prior to the occurrence of the Damage and Macy provides Developer with its Operating covenant (as described below), Developer shall restore at least those Developer Retail Improvements that are Immediately Adjacent to Macy. Promptly following the occurrence of Damage by a peril required to be or in fact insured against and as to which the cost of restoration exceeds ten percent (10%) of the total replacement costs of the

Developer Retail Improvements, Developer shall request Macy to provide Developer with Macy's Operating covenant as follows: Macy shall covenant to continue Operating its Building or to restore, as necessary, and to re-open its Building within the later of (i) eighteen (18) months after the occurrence of the Damage and (ii) the time provided in Section 10.3 of the POMA, and thereafter to Operate its Building for an additional period of five (5) consecutive years following the date of such re-opening or, if no re-opening was necessary, the date Macy provides Developer with Macy's Operating covenant described above. Notwithstanding anything contained in this Section 8.3 to the contrary, Developer's restoration obligation under this Section 8.3, resulting from an earthquake and/or flood shall be limited to expending in restoration of the Developer Retail Improvements the proceeds from the insurance Developer is required to carry (or is, in fact, carrying, if higher) pursuant to Section 7.1; provided, however, if the proceeds of such earthquake and flood insurance, which Developer is required to carry (or is, in fact, carrying, if higher) pursuant to Section 7.1, are less than eighty percent (80%) of the replacement cost of that portion of the Developer Retail Improvements that Developer would be required to restore pursuant to this Section 8.3, the Damage resulting from such a casualty shall be considered to have been caused by a peril not required to be insured against, and in fact not insured against, under the provisions of Section 7.1.

Section 8.4 Restoration of Buildings of Macy and Arena Co. Macy and Arena Co. shall either restore all or a portion of its Building or raze any damaged portion thereof not being restored and improve the razed portion of its Tract in the same manner as provided in Section 8.7 until such Party shall elect to rebuild thereon. Each of Macy and Arena Co. may raze the whole or any part of its Building at any time during the term of this Agreement. Any portion of the ground floor coverage of the Building so razed, or the whole of such area should the whole of such Building be razed, shall be improved in the same manner as provided in Section 8.7 until such Party shall elect to rebuild thereon.

Section 8.5 Standards of Construction. A Party performing any restoration, repair, rebuilding, maintenance, alterations, additions or improvements (hereafter in this Section 8.5 collectively called "work") shall strictly comply with such of the following requirements as are applicable.

(a) No work shall be commenced unless the Party desiring to perform the same has in each instance complied with the appropriate provisions of this Agreement.

(b) All work shall be performed in a good and workmanlike manner, strictly conforming to and complying with:

(1) The plans and specifications therefor approved as required by Article 2, if and to the extent approval is required under Article 2; and

(2) The requirements of Articles 2 and 3, and of all applicable laws, codes, regulations, rules and underwriters (subject to the right of any Party to contest the validity or application thereof at its sole cost and expense).

(c) All such work shall be completed at the sole cost (except as herein provided to the contrary) of the Party performing the same, and with due diligence after the occurrence of the Damage.

(d) Notwithstanding anything in Section 3.5 to the contrary, neither Macy nor Arena Co. shall be required to reopen its Building during the following time periods: between November 16 of any calendar year and February 2 of the next succeeding calendar year; during the period from May 1 to August 10 of any calendar year; or during the forty-five (45) day period immediately preceding Easter Sunday in any calendar year.

Section 8.6 Licenses for Restoration. Each Party is hereby granted a temporary license to use, as necessary, those portions of the Plaza Area to maintain, repair, alter, improve, restore and/or raze the whole or any part of the Developer Improvements, the Macy Building and the Building on the Arena Co. Tract, respectively, as this Agreement permits or requires (such activities collectively referred to in this Section 8.6 as “construction”).

With respect to all purposes for which such license is exercised, the Party desiring to undertake such activity shall submit, within a reasonable time prior to commencement of such activity, to the Party of the Tract in question for its approval, the following: a plot plan of the Retail/Arena Project on which such Party shall delineate those portions of the Plaza Area upon which such Party reasonably intends to exercise the license; specification of the nature and extent of the activity; and a time schedule therefor. The Party upon whose Tract the construction is to occur shall, within ten (10) days thereafter, notify such requesting Party whether it approves or disapproves of the proposed location, timing and use. At all times during any Party’s use of a portion of the Plaza Area, as aforesaid, such Party shall comply with the other applicable requirements of this Section 8.6 and, upon cessation of such use, shall promptly restore the portions of the Plaza Area so used to the same condition in which they existed prior to the time of commencement of such use, including the clearing of such area of all loose dirt, debris, equipment and construction materials. Such Party shall also restore, at its sole cost and expense, any portions of the Retail/Arena Project which may have been damaged during such construction promptly upon the occurrence of such damage and shall at all times during the period of any such construction keep all portions of the Retail/Arena Project, except the portions upon which said construction is being performed and the portions of the Plaza Area being utilized by such Party pursuant to this Section 8.6, free from and unobstructed by any loose dirt, debris, equipment or construction materials related to such construction.

Section 8.7 Clearing of Premises. If any Party is not obligated hereunder, and elects not, to restore any Damaged Floor Area or, as to Developer, the Plaza Area on its Tract, or if the applicable Party as to the Developer Adjacent Tract elects not to reconstruct any Damaged Developer Non-Retail Improvements, then, at its sole cost, such Party shall (a) raze all Floor Area on the Retail/Arena Project and/or Developer Non-Retail Improvements that have been Damaged, (b) clear its Tract of all debris, (c) level, clear, fill (if necessary) and improve with

minimal landscaping (including, without limitation, grass that is compatible with the balance of the Retail/Arena Project) all ground areas (but not areas above any Garage) not restored for use as Floor Area, or Developer Non-Retail Improvements (as applicable), and (d) maintain the same in a safe and slightly condition until such time as said Party may elect to rebuild Floor Area, or Developer Non-Retail Improvements (as applicable), thereon.

Section 8.8 Liability of Involuntary Transferee. Notwithstanding anything in this Article 8 to the contrary, the provisions of Sections 8.3 and 8.4 shall apply to an Involuntary Transferee following an Involuntary Transfer only in the following instances:

(a) Damage Before and After Involuntary Transfer. Where an Involuntary Transferee acquires title to a Tract, such Involuntary Transferee shall be liable to restore the improvements on such Tract Damaged prior to such Involuntary Transfer only to the extent that (i) the Involuntary Transferor would have been obligated for such restoration and (ii) insurance proceeds are available for such restoration.

If such Damage occurs after such Involuntary Transfer, the Involuntary Transferee shall restore such improvements in accordance with Section 8.3 or 8.4, as applicable.

(b) Razing of Improvements. If an Involuntary Transferee is not required pursuant to subsection (a) above to restore, repair or rebuild any building that has been damaged or destroyed and elects not to do so, then such Involuntary Transferee or foreclosure purchaser shall raze such building or such part thereof that has been so damaged or destroyed, clear the Tract of all debris, and improve the same at its sole cost as required by Section 8.7.

Nothing in this Section 8.8 shall limit the rights of a Party to be Released from its covenant to Operate and/or restore as provided in Article 11 if such Involuntary Transferee elects to raze the improvements and improve a Tract as described in subsection (b) above; and nothing contained in this Section 8.8 shall be construed to Release the Party whose Tract has been acquired by such Involuntary Transferee from any of its duties under this Agreement.

ARTICLE 9

COVENANT OF DEVELOPER

Section 9.1 Operation Covenant. Subject to Articles 8, 11, 12, 13 and the terms of this Article 9, Developer covenants to and agrees with Macy to Operate the Developer Retail Buildings from and after the Grand Opening Date and for so long thereafter as Macy is Operating its Building (or, if the failure of Macy to so Operate is due to damage or destruction of Macy's Building, Macy has agreed to restore diligently and thereafter continue to Operate or if the failure of Macy to so Operate is due to alterations or renovations to Macy's Building, Macy has agreed to complete such alterations and renovations diligently and thereafter continue to so Operate); provided, however, that Developer shall be obligated to Operate only those portions of the Developer Retail Buildings that are Immediately Adjacent to the Macy Building; (ii) if Macy Operates its Building on only one level which abuts the Plaza Area, Developer shall only be

obligated to Operate those Developer Retail Buildings which are both (x) Immediately Adjacent to the Macy Building and (y) on the level of the Plaza Area abutting the level of the Macy Building which is being so Operated by Macy.

When and as required by the preceding sentence, Developer shall Operate the Developer Retail Buildings in the following manner:

(a) On the Grand Opening Date, Developer shall open the Developer Retail Buildings in their Initial Planned Floor Area and the Plaza Area to the extent required by Section 3.3.

(b) Developer shall make the Developer Retail Buildings available for use as a complex of retail merchandise and commercial service establishments within the Retail/Arena Project, which shall be a first-class mixed use project containing a substantial entertainment component and containing a multi-level, open-air Plaza Area.

(c) Developer shall use its best efforts, as limited by commercial reasonableness and feasibility, to:

(1) Have occupied in its entirety at all times at least the Minimum Floor Area of those Developer Retail Buildings that Developer is obligated to Operate, as set forth above; and

(2) Have at all times a balanced and diversified mixture of retail merchandise and retail service Occupants in the Developer Retail Buildings to the extent consistent with first-class mixed use project containing a substantial entertainment component and containing a multi-level, open-air Plaza Area.

(d) Developer shall maintain a quality of maintenance, management and Operation not less than that generally adhered to in first-class regional shopping centers in Northern California.

(e) Developer shall Operate the Retail/Arena Project under the name "Sacramento Gardens" or such other name as Macy shall approve (which approval shall not be withheld unless in Macy's reasonable judgment the substitute name is likely to have a material and adverse impact on Macy's business).

(f) Developer shall comply with the requirements of Exhibits D and E.

(g) Subject to Sections 2.6 and Article 13, Developer shall maintain and preserve the layout of the Plaza Area and the other Developer Retail Improvements as shown on Exhibit B, shall Operate the Developer Retail Buildings that it is required to Operate within the confines of the Retail/Arena Project Site, and shall not withdraw or add any real property from or to the Developer Tract.

The Operation covenant contained in this Section 9.1 shall not impose any greater duty on Developer to restore than is contained in Article 8.

Section 9.2 Benefits to Macy, City and Arena Co. Each and all of the provisions of this Agreement on Developer's part to be performed (whether affirmative or negative in nature) are intended to and shall bind each and every Person constituting Developer, at any time and

from time to time, and shall (to the extent any such provision expressly benefits Macy, City or Arena Co.) inure to the benefit of each of Macy, City and Arena Co.

Section 9.3 Covenants Binding on Developer Tract and Running With the Land. Except in the event and to the extent of a Release of Developer's Operation covenant given in Section 9.1, release of Operator's covenant to Operate the Plaza Area given in Section 5.2, or a Release from Developer's restoration covenant under Section 8.3, each and every covenant (whether affirmative or negative) contained herein relating to or affecting any portion of the Developer Tract is intended to bind, and shall bind, each and every Person having any fee, leasehold or other interest in any part of the Developer Tract, at any time and from time to time, if and to the extent that Developer is a Party as to such part of the Developer Tract and to the extent that such part of the Developer Tract is affected or bound by the covenant in question, and shall inure to the benefit of each of Macy and Arena Co. and their respective Tracts and shall run with the land; provided, however, Developer's covenants to construct, Operate and restore are only intended to bind, and shall only bind, Developer and each and every Person who, at any time and from time to time, succeeds to all or a portion of Developer's interest in the Developer Tract if and to the extent that Developer is a Party as to such part of the Developer Tract and to the extent that such part of the Developer Tract is affected or bound by the covenant in question, or that such covenant is to be performed thereon. Each covenant shall constitute an equitable servitude and a covenant running with the land under applicable law, including, without limitation, California Civil Code Section 1468.

Section 9.4 Covenants Binding on Developer Adjacent Property and Running With the Land. Each and every covenant contained in Sections 2.5, 3.6, 3.7, 3.8, 3.9, 3.10, 4.1, 4.2, 4.3, 8.2, 8.7 and Article 14 relating to or affecting any portion of the Developer Adjacent Property is intended to bind, and shall bind, each and every Person having any fee, leasehold or other interest in any part of the Developer Adjacent Property, at any time and from time to time, to the extent that such part of the Developer Adjacent Property is affected or bound by the covenant in question, and shall inure to the benefit of each of Macy and Arena Co. and their respective Tracts and shall run with the land. Each such covenant shall constitute an equitable servitude and a covenant running with the land under applicable law, including, without limitation, California Civil Code Section 1468.

Section 9.5 Dominant and Servient Estates. With respect to the various covenants (whether affirmative or negative) on the part of Developer contained in this Agreement which affect or bind or are to be performed on portions of the Tract of any Party during the term of this Agreement, the Tract benefited by such covenant shall be the dominant estate; and the servient estate shall be the Developer Tract or, if the particular covenant affects, binds, or is to be performed on less than the whole of the Developer Tract, the servient estate shall be such portion thereof as is affected or bound by the particular covenant or on which the particular covenant is to be performed.

ARTICLE 10

INTENTIONALLY OMITTED

ARTICLE 11

DISCHARGE AND RELEASE

Section 11.1 Discharge of Transferor. Except as provided in Section 11.3, a Transferor (including an Involuntary Transferee who Transfers its interest in a Tract) shall be Discharged from and after the effective date of the Transfer and compliance with, all of the following conditions:

- (a) Transferor shall have paid all amounts due and payable by Transferor to all other Parties as of such effective date;
- (b) Transferor shall have given all Parties notice of the Transfer; and
- (c) Transferor shall have delivered to each Party a written instrument in recordable form, duly executed and acknowledged by Transferee, whereby Transferee shall have expressly assumed all of the covenants, duties and obligations of Transferor under this Agreement with respect to the portion of the Tract that is Transferred, or with respect to a Transferee of an Involuntary Transferee, those of the Party that was the Involuntary Transferor except as provided in Section 8.8.

Section 11.2 Discharge of Involuntary Transferor. Except as provided in Section 11.3, an Involuntary Transferor who is a Mortgagor shall be Discharged from and after the effective date of the Involuntary Transfer, as soon as such Involuntary Transferor has paid all amounts due and payable by such Involuntary Transferor to all other Parties as of such effective date.

Section 11.3 Exceptions to Discharge. Neither a Transfer nor an Involuntary Transfer shall Discharge Developer from its obligations regarding construction prior to the Grand Opening Date set forth in Article 3; provided, however, that a Transfer to an Affiliate of Developer that assumes such obligations shall Discharge Developer from such obligations.

Section 11.4 Developer Excuse and Release from Operation Covenant. Developer and the Developer Tract shall be Released from Developer's Operation covenant given in Section 9.1, provided Developer is not in Default thereof, from and after the occurrence of any of the following conditions:

- (a) Macy shall not have Operated its Building after three hundred sixty-five (365) days' notice from Developer to reinstate such Operation of Macy's Building. From the date six (6) months after the date Macy ceases such Operation of its Building until Developer is so released, Developer shall be Excused from Developer's Operation covenant given in Section 9.1; or
- (b) Developer shall have been Released from all of its restoration obligations set forth in Section 8.3 pursuant to Section 11.6.

Section 11.5 Operator Excused. With respect to each other Party, Operator and the Developer Tract shall be Excused from Operator's covenant, given in Section 5.2, to Operate the Plaza Area, provided Operator is not in Default thereof, from and after the date on which

Developer shall have been Released from all of its restoration obligations set forth in Section 8.3 pursuant to Section 11.6.

Section 11.6 Excuse and Release from Restoration Covenants.

(a) Excuse. Developer shall be Excused from its restoration covenant given in Section 8.3 for so long as Macy fails to commit to restore (or commits to restore but fails to restore) its Building if such Building is also Damaged.

(b) Release. Developer (the “Released Party”) and the Developer Tract shall be Released from such Party’s restoration covenant given in Section 8.3 in each of the following circumstances:

(i) The Released Party and the Developer Tract shall be Released from said covenants if any portion of Garages G, K or U shall have been Damaged and Arena Co. or the City shall not have commenced restoration within six (6) months, and completed restoration within eighteen (18) months, after the date each of the Parties have notified Arena Co. whether or not such Party intends to restore its improvements, so as to restore (i) physical support for the Developer Retail Improvements which are to be restored and (ii) not less than the number of automobile parking spaces in the number and location required by the POMA. From and after the expiration of the six (6) month period set forth above (to the extent restoration has not commenced), the Released Party shall be Excused from the restoration covenant given in Section 8.3

(ii) The Released Party and the Developer Tract shall be Released from said covenants if the Released Party has also been Released from its Operation covenant given in Section 9.1.

(iii) The Released Party and the Developer Tract shall be Released from said covenants if Macy shall not have Operated its Building after ninety (90) days’ notice from Developer.

Section 11.7 No Waiver. None of a Party’s (a) Excuse, Discharge or Release, (b) continued performance or Operation after its Excuse, Discharge or Release, or (c) service of a notice of Default or a notice to Cure shall diminish, affect or waive any such notice, Excuse, Discharge, Release or the rights of such Party under this Agreement, including any claim for damages.

ARTICLE 12

FORCE MAJEURE

Section 12.1 Excuse. Except as otherwise specifically provided herein, each Party shall be Excused from its duty to perform any covenant or obligation of this Agreement, except one to pay any sums of money not expressly conditioned on another Party’s performance of a covenant or obligation that this Section 12.1 expressly Excuses if, but only for so long as, the performance

of any such covenant or obligation is prevented, delayed, retarded or hindered by any of the following: act of God; fire; earthquake; floods; explosion; action of the elements; war; invasion; insurrection; riot; mob violence; sabotage; inability to procure, or a general shortage of, labor, equipment, facilities, materials or supplies in the open market; failure of transportation; strikes; lockouts; action of labor unions; condemnation; requisition; orders of governmental or civil or military or naval authorities; or any other cause, whether similar or dissimilar to the foregoing, not within the respective control of such Party (other than the lack or inability to procure monies to fulfill its covenants and obligations provided in this Agreement).

Notwithstanding any specific references in certain provisions of this Agreement to this Section 12.1, the absence of such specific reference in any other provision shall not be deemed to diminish the general applicability of this Section 12.1.

ARTICLE 13

CONDEMNATION

Section 13.1 Determination of Award. Whenever a public, quasi-governmental or military authority shall have taken, on a permanent, temporary or emergency basis, the Retail/Arena Project Site or any portion thereof by exercise of the powers of eminent domain, condemnation or requisition, the resultant damages to be awarded to each of the Parties with respect to each Party's interest in the Retail/Arena Project Site (collectively the "Awards" and individually an "Award") shall be determined either by agreement between the condemning authority and all Parties suffering such taking or by judicial judgment, verdict or order in a condemnation action or proceeding. Notwithstanding the provisions of such agreement, judgment, verdict or order to the contrary, the Awards shall be applied in accordance with the balance of this Article 13.

Section 13.2 Application. With respect to an Award for condemnation of a Party's Tract, or any interest therein, such Party shall be entitled to the entire Award attributable to its Tract and interest, exclusive of any severance damages awarded to any other Party arising from the taking of any easements granted to such Party under the CEA. In the event Macy or Developer does not, or is not entitled to, terminate this Agreement as to its Tract pursuant to Section 13.3, it shall, to the extent practicable, restore, as to Macy, its Building and, as to Developer, the Developer Retail Improvements. All restoration shall be undertaken in accordance with the requirements and subject to the provisions of this Article 13 as well as of Article 8 and the area to be restored shall be restored as nearly as possible to the condition in which the affected area existed immediately prior to such taking and in accordance with plans and specifications approved by the other Parties pursuant to and to the extent required by the applicable requirements of this Agreement.

Section 13.3 Taking of Floor Area or Automobile Parking Area. If ten percent (10%) or more of the Floor Area of the Macy Building, the Building on the Arena Co. Tract or of the Developer Retail Buildings is taken by condemnation or if twenty percent (20%) or more of the parking spaces located in the Garages and within four hundred feet (400') of a Party's Building(s) or the area which is above or below the area of such radius is taken by condemnation, then, within one hundred eighty (180) days after the taking, each Party so

affected shall have the right to terminate this Agreement as to its Tract on not less than sixty (60) days' notice to the other Parties. In addition, if more than twenty percent (20%) of the parking spaces in the Garages are taken by condemnation and, if within sixty (60) days after the taking, a majority of the Parties have not elected to continue this Agreement, this Agreement shall terminate upon the expiration of such sixty (60) day period.

Section 13.4 Mortgagee Participation. Nothing herein contained shall be deemed to prohibit any Mortgagee from participating in any condemnation proceedings on behalf of, or in conjunction with, any Party against whose Tract it has recorded a Mortgage, provided such participation does not reduce the Award to any other Party or the distribution thereof in accordance with Section 13.2.

Section 13.5 Inverse Condemnation. Should any inverse condemnation result by reason of actions of a public authority, including without limitation any impacts of any environmental protection act or regulations, and should a judgment of a court of competent jurisdiction so determine, then the rights of the Parties shall be the same as though condemnation had taken place.

ARTICLE 14

SIGN CRITERIA

Section 14.1 Criteria. All signs erected or maintained within the Retail/Arena Project shall conform in all respects to the sign criteria contained in Exhibit C and all applicable laws, rules, ordinances and regulations; provided, however, said sign criteria shall not govern (a) any signs on the Building of Macy (except as set forth in paragraph D of the sign criteria), (b) any signs on the Building on the Arena Co. Tract, (c) the Retail/Arena Project identification signs on the Developer Retail Improvements that the Parties shall have otherwise approved, or (d) the Developer Adjacent Property. Signage may advertise products and services that are not located on the Retail/Arena Project with signage that is consistent with signage for an urban mixed use project with an entertainment sports complex, but no signage shall advertise department stores (other than department stores on the Retail/Arena Project) so long as department stores are Operating on the Retail/Arena Project without the consent of such department stores so Operating. No sign subject to and conforming with the signage criteria of Exhibit C shall be changed in any manner so as to thereby violate said signage criteria.

ARTICLE 15

RULES AND REGULATIONS

Section 15.1 Rules and Regulations. Each Party agrees to observe and comply with, and shall cause its respective Permittees to observe and comply with, such rules and regulations related to the Retail/Arena Project as may be adopted from time to time by the mutual agreement of the Parties. The Parties hereby adopt the rules and regulations set forth in Exhibit D, which shall remain effective until such time as the Parties amend the same. An amendment of such rules and regulations shall not be deemed to be, nor shall it require, an amendment of this Agreement for purposes of Section 19.1.

ARTICLE 16

TAXES AND ASSESSMENTS

Section 16.1 Payment. Subject to the other provisions of this Article 16, each Party shall pay, or cause to be paid, prior to delinquency, all Taxes on its Tract. If some or all of the Taxes may be paid in installments, any Party may pay each such installment as and when the same becomes due and payable.

Section 16.2 Contest. If any Party shall deem some or all of the Taxes on its Tract to be excessive or illegal, such Party shall have the right to contest the same at its own cost and expense. In such event, the contesting Party shall have the right to defer payment of such Taxes so long as the validity or the amount thereof is contested in good faith; provided, however, that the contesting Party shall pay any such contested Taxes prior to the time when the affected portion of the Retail/Arena Project would be subjected to sale under applicable law pursuant to a proceeding that may impair a right created under this Agreement or terminate a provision of this Agreement as to any such Tract.

ARTICLE 17

ATTORNEY FEES

Section 17.1 Prevailing Party. If any Party shall institute any action or proceeding (“Suit”) against any other Party relating to (a) any breach or alleged violation of any covenant, term or obligation of this Agreement, (b) any Default, or (c) enforcement of the provisions hereof, the “Prevailing Party” shall be entitled to recover from the nonprevailing Party, as part of the Prevailing Party’s costs of Suit or its damages, said Prevailing Party’s reasonable attorney fees incurred since commencement of the Suit, as fixed by the court.

The “Prevailing Party” shall be the Party which by law is entitled to recover its costs of Suit. If a final judgment is rendered in a Suit, said judgment shall specify the Prevailing Party’s right to recover its costs of Suit (including attorney fees) incurred in enforcing, perfecting and executing such judgment, and including without limitation, such costs incurred in connection with any of the following: (i) post-judgment motions; (ii) contempt proceedings; (iii) garnishment, levy, and debtor/third party examinations; (iv) discovery; and (v) bankruptcy litigation.

The term “attorney fees” shall include fees of outside counsel and reasonable costs allocable to a Party’s in-house counsel.

ARTICLE 18

NOTICES

Section 18.1 Delivery to Parties. Any notice, demand, request, consent, approval, designation, or other communication that any Party is required or desires to give, make or communicate to any other Party shall be given, made or communicated in writing by personal delivery, reliable overnight courier, facsimile transmission (followed by first class United States

mail), or United States certified mail, return receipt requested with postage fully prepaid, to the following addresses:

Developer:

John Rinehart, CFO
Sacramento Basketball Holdings LLC
One Sports Parkway
Sacramento, CA 95834
Facsimile: (916) 928-6983

With copies to:

Mark Friedman, Owner
1530 'J' Street, Suite 200
Sacramento, CA 95814
Facsimile: None

Jeffrey Dorso, Esq.
Pioneer Law Group, LLP
1122 'S' Street
Sacramento, CA 95811
Facsimile: (916) 496-8500

Adam R. Klein, Esq.
Katten Muchin Rosenman LLP
525 W. Monroe Street
Chicago, IL 60661-3693
Facsimile: (312) 902-1061

JMA Ventures, LLC
180 Sansome Street, Suite 1200
San Francisco, CA 94104
Attn: Messrs. Paul Faries and Todd Chapman

Macy:

Macy's West Stores, Inc.
7 West Seventh Street
Cincinnati, Ohio 45202
Attn: Real Estate Department (CA)

with a copy to:

Macy's West Stores, Inc.
7 West Seventh Street
Cincinnati, Ohio 45202
Attn: Law Department – Real Estate Group (CA)

Arena Co:

John Rinehart, CFO, and Randy Koss, Senior Vice President, Real Estate
Development
Sacramento Basketball Holdings LLC
One Sports Parkway
Sacramento, CA 95834
Facsimile: (916) 928-6983

With copies to:

Mark Friedman, Owner
1530 'J' Street, Suite 200
Sacramento, CA 95814
Facsimile: None

Jeffrey Dorso, Esq.
Pioneer Law Group, LLP
1122 'S' Street
Sacramento, CA 95811
Facsimile: (916) 496-8500

Adam R. Klein, Esq.
Katten Muchin Rosenman LLP
525 W. Monroe Street
Chicago, IL 60661-3693
Facsimile: (312) 902-1061

City:

John Dangberg
Assistant City Manager
City of Sacramento
915 I Street, Fifth Floor
Sacramento, California

with a copy to:

Matt Ruyak
Assistant City Attorney
City of Sacramento
915 I Street, Fourth Floor
Sacramento, California 95814

Jeffrey Massey
Senior Deputy City Attorney
City of Sacramento
915 I Street, Fourth Floor
Sacramento, California 95814

Each Party may designate at any time a different address for its receipt of notices by giving at least ten (10) days' notice of such change of address to all other Parties.

Any notice, demand, request or other communication (except any consent, approval or designation), including any copy, shall be deemed to have been given, made, received and communicated, as the case may be, on the date personal delivery was effected if personally served, or on the date of delivery (or attempted delivery) as shown on the return receipt if delivered by mail. If any such notice requires any action or response by the recipient or involves any consent or approval solicited from the recipient, such fact shall be clearly stated in the notice in the manner provided in Section 22.6. Any responsive consent, approval or designation shall be sent as provided above and shall be deemed to have been given, made, received and communicated, as the case may be, on the date of personal delivery or the date the same was deposited in the United States mail in conformity with this Section 18.1.

If a Party notifies another Party of the latter Party's Default, such notifying Party shall concurrently send all other Parties (and their Mortgagees, in accordance with Section 18.2) a copy of such notice; provided, however, failing to notify the other Parties (and/or their Mortgagees) shall not affect the validity of such notice of Default nor shall giving, or failing to give, such notice create any liability on the part of the notifying Party.

Section 18.2 Mortgagee Notice. The Mortgagee under a Mortgage affecting the Tract of a Party shall be entitled to receive notice of any Default by the Party as to such Tract, provided that such Mortgagee shall have delivered a copy of a notice in the form hereinafter contained to each Party. The form of such notice shall be as follows:

The undersigned, whose address is _____
does hereby certify that it is a "Mortgagee" (as defined in Article 1
of the Amended and Restated Construction, Operation and
Maintenance Agreement) of the Tract of land described on Exhibit
A attached hereto and made a part hereof and being the Tract of
[Party] ("Party") in the project located in Sacramento, California.
In the event that any notice shall be given of the Default of the

Party upon whose Tract the Mortgage held by the undersigned applies, a copy thereof shall be delivered to the undersigned who shall have all rights of such Party to Cure such Default. Failure to deliver a copy of such notice to the undersigned shall in no way affect the validity of the notice of Default as it respects such Party, but shall make the same invalid as it respects the Mortgage of the undersigned.

Any such notice to a Mortgagee shall be given in the same manner as provided in Section 18.1. In the event that any notice shall be given of the Default of a Party and such Defaulting Party has failed to Cure or commence to Cure such Default as provided in this Agreement, then and in that event any such Mortgagee under a Mortgage affecting the Tract of the Defaulting Party shall be entitled to receive an additional notice given in the manner provided in Section 18.1, that the Defaulting Party has failed to Cure such Default and such Mortgagee shall have thirty (30) days after said additional notice to Cure or, if such Default cannot be Cured within thirty (30) days, to commence to Cure any such Default and to prosecute said Cure continuously and diligently until completed; provided, however, that if any Cure shall reasonably require possession, a Mortgagee shall have the opportunity to commence and diligently proceed with foreclosure prior to Cure; provided, further, however, in the event of multiple Mortgages, such Cure period as to any particular Mortgagee shall not be shortened or extended as a result of the giving of a notice to one or more other Mortgagees at an earlier or later date than the notice to the subject Mortgagee and no dispute of any nature between Mortgagees shall serve to toll or extend said cure period nor impose liability of any nature on any Party to resolve such dispute in connection with accepting Cure from any particular Mortgagee.

ARTICLE 19

AMENDMENT

Section 19.1 Method and Effect of Amendment. The Parties agree that the provisions of this Agreement may be modified or amended, in whole or in part, only by declaration in writing, executed and acknowledged by all of the Parties, and duly recorded in the Office of the Recorder in and for the County of Sacramento, State of California. Any amendment or modification hereof (including any extension and renewal hereof), whenever made, shall be superior to any and all liens, to the same extent as if such amendment or modification had been executed concurrently with this Agreement. If a Party has a Mortgage that requires the Mortgagee's consent to any amendment of this Agreement, and such Mortgagee has notified all Parties of the existence of its Mortgage in accordance with Section 18.2, the Mortgagee's written consent to any proposed amendment must be obtained in order for such amendment to be effective against such Mortgagee. Nothing contained herein precludes the making of any separate agreements between two or more Parties, provided that the Parties who are not parties to such separate agreements shall not be bound or affected thereby. Without limiting the generality of the foregoing, the Parties acknowledge that City and Arena Co. and/or their Affiliates have entered into separate agreements, including but not limited to the Arena Parking Agreement and the Arena Lease Agreement (which Arena Parking Agreement and Arena Lease Agreement shall at all times be subordinate to this Agreement), and may in the future enter into separate agreements with each other and that such separate agreements may confer on the signatories to

such separate agreements certain rights, as between such signatories, relating to the terms of this Agreement; provided however, that (a) such separate agreements shall not bind any other Parties to this Agreement or limit the obligations of City or Arena Co. to the other Parties to this Agreement, and (b) nothing in this Agreement shall limit the obligations of City and Arena Co. to each other under such separate agreements.

Section 19.2 No Third-Party Beneficiary. Except for the provisions of Section 8.8, which is for the benefit of Involuntary Transferees, and Sections 18.2, 19.1 and 22.1, which are for the benefit of Mortgagees, the provisions of this Agreement are for the exclusive benefit of the Parties and not for the benefit of any third Person, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any third Person. It is expressly understood and agreed that, except for the provisions of Sections 8.8, 18.2, 19.1 and 22.1, the Parties specifically intend that no other Person shall have any right to enforce any of the provisions of this Agreement.

ARTICLE 20

INTENTIONALLY OMITTED

ARTICLE 21

TERMINATION OF AGREEMENT

Section 21.1 Termination. Except as to any provisions of this Agreement which by their terms shall or may survive such date, this Agreement shall terminate sixty (60) years after the date this Agreement is recorded in the official records of Sacramento County, California, unless sooner terminated with respect to any given Tract under the provisions of Article 13.

ARTICLE 22

MISCELLANEOUS

Section 22.1 Breach Shall Not Defeat Mortgage. A breach of any of the conditions, covenants, or restrictions of this Agreement shall not defeat or render invalid the lien of any Mortgage made in good faith and for value, but all such conditions, covenants and restrictions shall, subject to Sections 8.8, 18.2 and 19.1 and Article 11, be binding upon and effective against any Person who acquires title to said property or any portion thereof by foreclosure, deed in lieu of foreclosure, trustee's sale, power of sale or otherwise.

Section 22.2 Breach Shall Not Permit Termination. No breach of this Agreement shall entitle any Party to cancel, rescind or otherwise terminate this Agreement, but such limitation shall not affect, in any manner, any other right or remedies which the Parties may have by reason of any breach of this Agreement.

Section 22.3 Captions. The table of contents and the captions of the Sections and Articles of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation and construction.

Section 22.4 Consent. In any instance in which any Party to this Agreement shall be requested to consent to or approve of any matter with respect to which such Party's consent or approval is required by any of the provisions of this Agreement, such consent or approval, or disapproval, shall be given in writing, and such consent or approval shall not be unreasonably withheld or delayed, unless the provisions of this Agreement with respect to a particular consent or approval shall expressly provide that the same may be given or refused in the sole and absolute judgment or discretion of such Party. Requests for consent shall be subject to the provisions of Section 22.6.

Section 22.5 Joint Preparation. This Agreement is to be deemed to have been prepared jointly by the Parties. Any uncertainty or ambiguity regarding the provisions of this Agreement shall not be interpreted against any Party as the draftsman of the document, but shall be resolved by application of all other principles of law regarding interpretation of contracts.

Section 22.6 Exercise of Approval Rights.

(a) Wherever in this Agreement approval or consent of any Party is required, and unless a different time limit is provided in this Agreement, such approval or disapproval shall be given within thirty (30) days following the receipt of the item to be so approved or disapproved, or the same shall be conclusively deemed to have been approved by such Party, subject to the provisions of this Section 22.6. Any disapproval shall specify with particularity the reasons therefor; provided, however, that wherever in this Agreement any Party is given the right to approve or disapprove in its sole and absolute judgment or discretion, such Party may disapprove without specifying a reason therefor and its disapproval shall not be subject to contest in any judicial, administrative or other proceeding.

(b) Wherever a period of time less than thirty (30) days is provided in this Agreement, such time limit shall not apply unless the notice to the Party whose approval or disapproval is required contains a correct statement of the period of time within which such Party must act. If the time specified in the notice is incorrectly set forth or omitted, the time limit shall be thirty (30) days unless a longer time period is specified in the Agreement, in which case the longer time period shall control. Failure to specify such time period shall not invalidate the notice but simply shall require the action of such Party within said thirty (30) day period or such longer period.

(c) Any document submitted for the consent or approval of any Party shall contain a cover page prominently reciting verbatim the applicable Agreement provision involved and stating (with specific reference to this Section 22.6) that the document, or the facts contained therein, shall be deemed approved or consented to by the recipient unless the recipient objects thereto within the required time period specified in such notice. Notwithstanding anything to the contrary in this Agreement, no recipient shall be deemed to have given its approval of or consent to the subject matter of a notice by failing to object thereto if such notice (or the accompanying cover letter) did not fully comply with the provisions of this Section 22.6.

(d) Wherever in this Agreement provision is made for approval “by the Parties”, such phrase shall require the approval of each of the Parties.

Section 22.7 Governing Laws. This Agreement shall be construed in accordance with the laws of the State of California.

Section 22.8 Injunctive Relief. In the event of any violation or threatened violation by any Person of any of the terms, restrictions, covenants and conditions of this Agreement, any of the Parties shall have the right to seek an injunction (either affirmative or negative) of such violation or threatened violation in a court of competent jurisdiction.

Section 22.9 No Partnership. Neither this Agreement nor any acts of the Parties shall be deemed or construed to constitute an agreement to share profits and losses or to create the relationships of principal-agent, partnership, joint venture, or any association whatsoever between any of the Parties.

Section 22.10 Not a Public Dedication. Nothing in this Agreement shall be deemed to be a gift to the general public, or a dedication for any public purpose whatsoever, of any portion of the Retail/Arena Project, it being the intention of the Parties that this Agreement shall be strictly limited to and for the purposes herein expressed.

Section 22.11 Severability. If any term, covenant, restriction or condition contained in this Agreement shall, to any extent, be invalid or unenforceable, the remainder of this Agreement (or the application of such term, covenant, restriction or condition to Persons or circumstances other than those with respect to which it is invalid or unenforceable) shall not be affected thereby. Each term, covenant, restriction and condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law, except those terms, covenants, restrictions or conditions which are expressly subject to or conditioned upon such invalid or unenforceable provisions.

Section 22.12 Successors. The provisions of this Agreement shall, except as otherwise provided herein, run with the land, both as respects benefits and burdens created herein.

Section 22.13 Time of Essence. Time is of the essence with respect to the performance of each of the terms, covenants, restrictions and conditions contained in this Agreement.

Section 22.14 Waiver of Default. A Party’s waiver of another Party’s Default must be made in writing, and no such waiver shall be inferred from a Party’s failure to take any action with respect to such Default if such Default continues or is repeated. No express waiver of any other Default shall affect any Default, or cover any period of time, other than the precise Default and period of time specified in such express waiver. One or more waivers of any Default in the performance of any term, covenant, restriction or condition of this Agreement shall not be deemed to waive any subsequent Default. A Party’s giving of its consent or approval to any act or request of another Party shall not be deemed to waive or render unnecessary the consenting/approving Party’s consent to or approval of any subsequent similar acts or requests.

Section 22.15 Rights Cumulative. Except as limited by Sections 22.2, 22.6 and 22.19, the rights and remedies of any Party under this Agreement shall be cumulative and not exclusive

of any other rights or remedies at law or in equity of such Party. A Party's exercise of any given right or remedy shall not impair such Party's standing to exercise any other right or remedy.

Section 22.16 Counterparts. This Agreement may be signed in several counterparts, each of which shall be deemed an original, and all such counterparts taken together shall constitute one and the same instrument.

Section 22.17 Estoppel Certificates. Each Party hereby severally covenants that, upon at least thirty (30) days' prior request of any other Party, it will issue to such other Party, or to any prospective Mortgagee, or purchaser or lessee of all or a portion of such Party's Tract, an estoppel certificate stating: (i) whether the Party to whom the request has been directed knows of any default under the Agreement, and if there are known defaults, specifying the nature thereof; (ii) whether to its knowledge the Agreement has been assigned, modified or amended in any way (and if it has, then stating the nature thereof); and (iii) that to the Party's knowledge the Agreement as of that date is in full force and effect. Such certificate shall act as a waiver of any claim by the Party furnishing such certificate to the extent such claim is based upon facts which are known to the Party and which are contrary to those asserted in the certificate but only to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts to the contrary of those contained in the certificate and who has acted in reasonable reliance upon the certificate. Such certificate shall in no event subject the Party furnishing it to any liability whatsoever, notwithstanding the negligent or inadvertent failure of such Party to disclose correct or relevant information.

Section 22.18 Index. Wherever this Agreement references a dollar denomination, calculation of dollar equivalency shall be based on the "Implicit Price Deflator of the Gross National Product of the United States (Personal Consumption Expenditures by Major Type of Product Table)," a publication of the United States Department of Commerce (2009=100) or, if such index is no longer published, any successor or substitute index that reasonably reflects and monitors consumer prices.

Section 22.19 Limitation of Developer's Liability. Notwithstanding anything in this Agreement to the contrary, any Party who seeks or obtains, from a court of competent jurisdiction, a final monetary judgment against Developer for damages arising from Developer's nonperformance or breach of this Agreement shall be entitled to secure, enforce and/or satisfy such judgment only by obtaining a judgment lien against Developer's interest in the Retail/Arena Project and the Developer Adjacent Property and foreclosing such lien against Developer's interest in the Retail/Arena Project and the Developer Adjacent Property so as to recover such judgment out of any interest of Developer in the Retail/Arena Project and the Developer Adjacent Property or any rent, profits or proceeds therefrom; provided, however, if Developer shall have failed to Cure its Default under Section 3.3, the foregoing limitation of liability shall not apply insofar as necessary to restore the Retail/Arena Project to the extent necessary to assure that unobstructed pedestrian access is able to occur in the area between 5th Street, Garage G, Garage U and Macy Building to a degree at least equal to that existing immediately prior to commencement of construction of the Retail/Arena Project and to restore the remainder of the Retail/Arena Project to a safe and sightly condition. Notwithstanding anything in this Agreement to the contrary, no individual, partner, member, officer, director, employee or agent of, or in, Developer or any of its partners or members, nor any of their assets or property (other than their

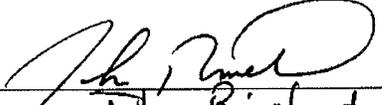
interests in Developer), shall be liable for any such breach, nonperformance or satisfaction of such final judgment rendered against Developer. Nothing in this Section 22.19 or elsewhere in this Agreement shall limit or preclude any right of Macy, City (to the extent of its rights under this Agreement) or Arena Co. to seek equitable relief (including, without limitation, declaratory or injunctive relief or specific performance) against Developer for its nonperformance or breach of this Agreement.

[SIGNATURES ARE ON NEXT PAGE]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the day and year first above written.

“Developer”

SG DOWNTOWN LLC,
a Delaware limited liability company

By: 

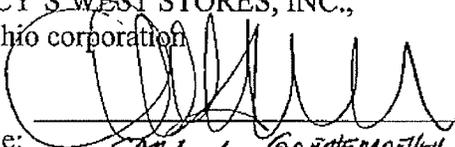
Name: John Rinehart

Title: CFO

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

"Macy"

MACY'S WEST STORES, INC.,
an Ohio corporation

By: 
Name: CARL L. GOENEMUELEN
Title: SIL VICE PRESIDENT

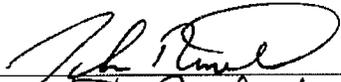
[SIGNATURES CONTINUE ON FOLLOWING PAGE]

[Signature Page to Construction, Operation and Maintenance Agreement]

"Arena Co."

SACRAMENTO DOWNTOWN ARENA
LLC,
a Delaware limited liability company

By: Sacramento Basketball Holdings LLC,
a Delaware limited liability company,
Its Sole Member

By: 
Name: John Rinehart
Title: CFO

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“City”

CITY OF SACRAMENTO,
a municipal corporation
of the State of California

By: _____

Name: _____

Title: _____

[END OF SIGNATURES]

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

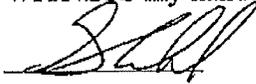
Notary Public

STATE OF OHIO)

COUNTY OF HAMILTON)

On JULY 11, 2014, before me, GARY A. WEBB, a Notary Public, personally appeared Carl L. Goulet and wife, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Notary Public

GARY A. WEBB, Attorney
NOTARY PUBLIC - STATE OF OHIO
My Commission Has No Expiration Date
Section 147.03 R.C.

STATE OF CALIFORNIA)

)

COUNTY OF _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

EXHIBIT A

[see attached]

EXHIBIT A

PART 1A

Lots 2,3,4,5,6,7,11,12,15,16,17,18,20,21,25,26,27,28,29,30,31,32,33,34,37,38,39,40,42, 43,44,45,47, 48, and 49 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

At such time as any of the Lots referenced above are: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the Developer Tract shall be deemed modified to reflect such the lot lines shown on the final map.

PART 1B

DEVELOPER ADJACENT PROPERTY

Lots 8,9,10,13,14,19,35,36,41,46,50,51,52 and 53 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

At such time as any of the Lots referenced above are: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the Developer Adjacent Property shall be deemed modified to reflect such the lot lines shown on the final map.

PART 1C

GROUND LEASED TRACT

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

ALL THAT CERTAIN PROPERTY AND SPACE CONTAINED WITHIN PARCEL NO. 1, AS SAID PARCEL IS SHOWN ON THAT CERTAIN AMENDED PARCEL MAP ENTITLED "PORTION OF BLOCK BOUNDED BY 5TH STREET, 6TH STREET, "K" STREET AND "L" STREET AND PORTION OF 5TH STREET, AS SAID BLOCKS AND STREETS ARE SHOWN ON THAT CERTAIN RECORD OF SURVEY ENTITLED "CERTAIN BLOCKS IN AREA BOUNDED BY 'J' AND 'N' STREETS, 2ND AND 8TH STREETS, CITY OF SACRAMENTO", RECORDED IN BOOK 18 OF SURVEYS, MAP NO. 2, SACRAMENTO COUNTY RECORDS, SAID AMENDED PARCEL MAP BEING RECORDED June 19, 1967, IN THE OFFICE OF THE RECORDER OF SACRAMENTO COUNTY IN BOOK 1 OF PARCEL MAPS, AT PAGE 55.

ASSESSOR'S PARCEL NUMBER: 006-0087-061-0000

PART 2

MACY TRACT

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF AND IS DESCRIBED AS FOLLOWS:

All that certain real property lying in or about the block bounded by K, L, 4th and 5th Streets, according to the official Map or Plat of the City of Sacramento, and as specifically on that Record of Survey entitled "Certain Blocks in the Area Bounded by J and P Streets, 3rd and 8th Streets, City of Sacramento, " recorded in the office of the Recorder of Sacramento County, in Book 13 of Surveys, Map No. 18, more particularly described as follows:

BEGINNING at the point of intersection of the northerly line of L Street with the westerly line of 5th Street, said point of beginning being further described as being located North 18° 29' 20" East 40.00 feet and North 71° 37' 21" West 40.00 feet from an aluminum disc set in concrete stamped L.S. 2651-1958, said monument marking the point of intersection of the centerline of said L street with the centerline of said 5th Street; thence from said point of beginning along the westerly line of said 5th Street, North 18° 29' 20" East 356.23 feet; thence along a line parallel to and 15.00 feet northerly from the southerly line of said K Street North 71° 36' 57" West 331.44 feet; thence along a line parallel with and 10.00 feet westerly from the easterly line of said 4th Street South 18° 28' 20" West 356.27 feet to the westerly projection of the northerly line of said L Street; thence along the westerly projection of and the northerly line of said L Street, South 71° 37' 21" East 331.34 feet to the point of beginning.

APN: 006-0087-046-0000

PART 3

ARENA CO TRACT

All that certain real property situate in the City of Sacramento, County of Sacramento and State of California described as follows:

Being all of Lot 1 as said lot is shown and delineated on that certain Parcel Map recorded _____, 2014 in Book _____ of Maps at Page _____, Sacramento County Official Records.

PART 4

SG TRACT

All that certain real property situate in the City of Sacramento, County of Sacramento and State of California described as follows:

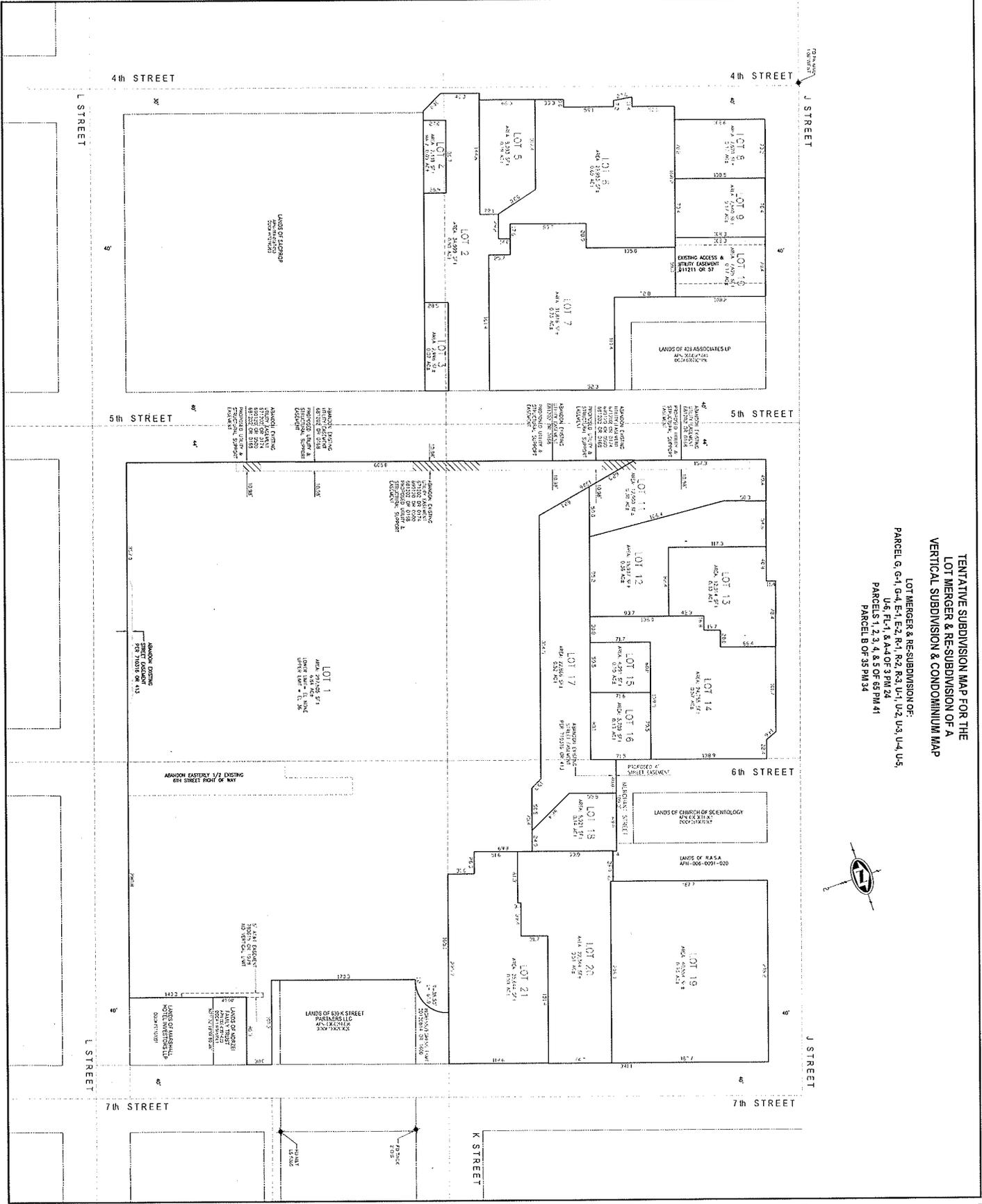
Being all of Lot 1 as said lot is shown and delineated on that certain Parcel Map recorded _____, 2014 in Book _____ of Maps at Page _____, Sacramento County Official Records, but excepting therefrom those portions of Lot 1 that are as of the date hereof (a) owned by the Redevelopment Agency Successor Agency, (b) owned by the City, or (c) on or over which the City has a right of possession.

TENTATIVE MAP PAGES 4-8

LOT PLAN

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E-1, E-2, H-1, R-2, R-3, U-1, U-2, U-3, U-4, U-5,
 U-6, R-1, & A-4 OF 3 PM 24
 PARCELS 1, 2, 3, 4, & 5 OF 55 PM 41
 PARCEL B OF 35 PM 34



HORTON & PITALO, INC.
 CIVIL ENGINEERS AND ARCHITECTS
 1000 N. G ST. SUITE 100
 SACRAMENTO, CA 95811
 TEL: 916.441.1111 FAX: 916.441.1112
 WWW.HORTONANDPITALO.COM

TENTATIVE MAP
**SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT**
 SACRAMENTO, CA

PHASED TENTATIVE
 SUBDIVISION MAP
 BELOW ELEVATION 2

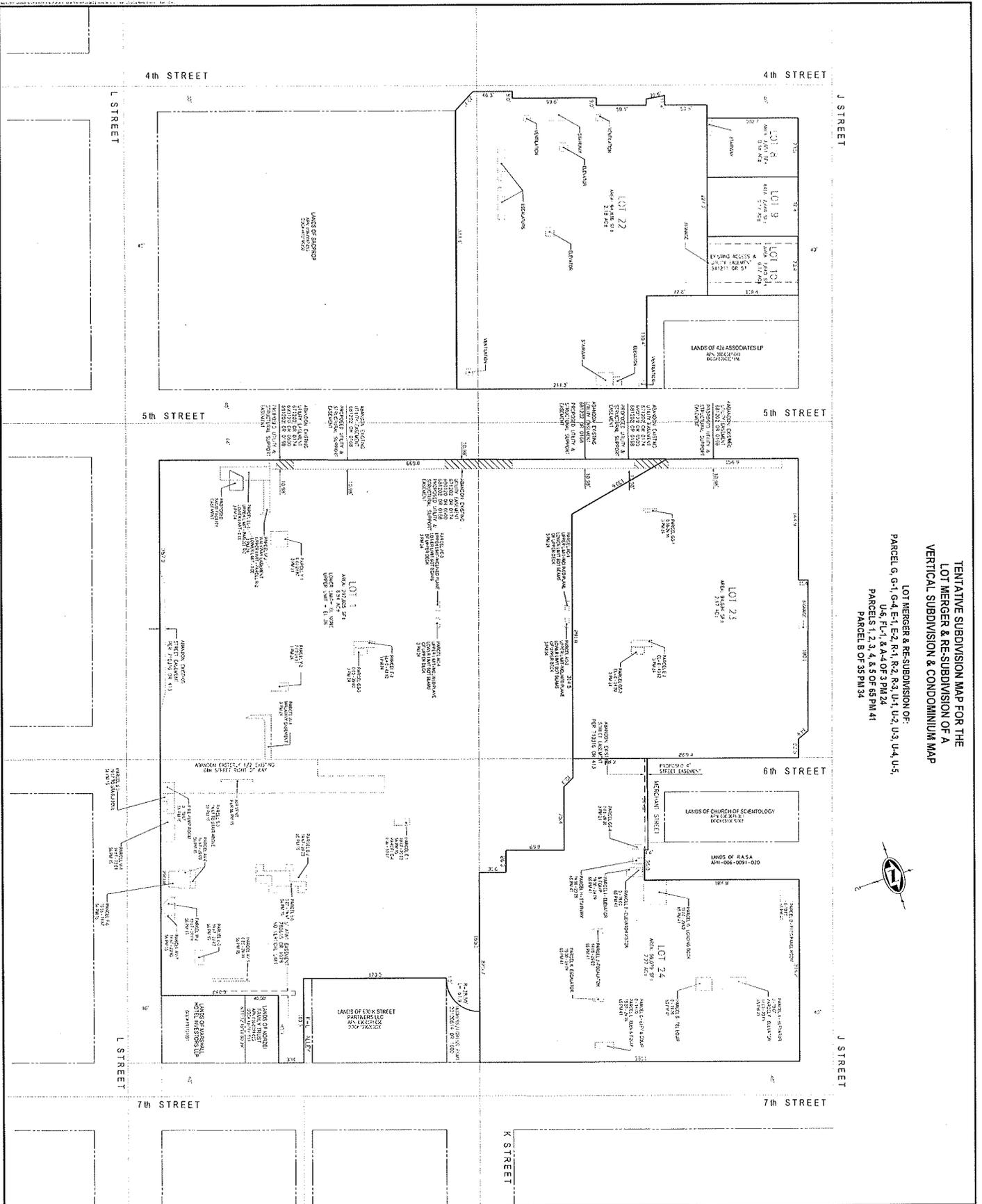
21 MARCH 2014
 H. PITALO
 15064810 3

BY TITLE TO THE MAP, THE SUBDIVISION IS:

1. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
2. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
3. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
4. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
5. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
6. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
7. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
8. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
9. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
10. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
11. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
12. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
13. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
14. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
15. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
16. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
17. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
18. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
19. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
20. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.
21. A LOT MERGER AND RE-SUBDIVISION OF A VERTICAL SUBDIVISION AND CONDOMINIUM MAP.

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E-1, E-2, R-1, R-2, R-3, U-1, U-2, U-3, U-4, U-5,
 U-6, F-1, & A-4 of 3 PM 24
 PARCELS 1, 2, 3, 4, & 5 of 65 PM 41
 PARCEL B of 35 PM 34



mp
 MORTON & PITAO, INC.
 CIVIL ENGINEER AND ARCHITECTURAL ENGINEER
 1000 S. 10TH STREET, SUITE 100
 SACRAMENTO, CALIFORNIA 95811
 TEL: 916.441.1111 FAX: 916.441.1112
 WWW.MORTONANDPITAO.COM

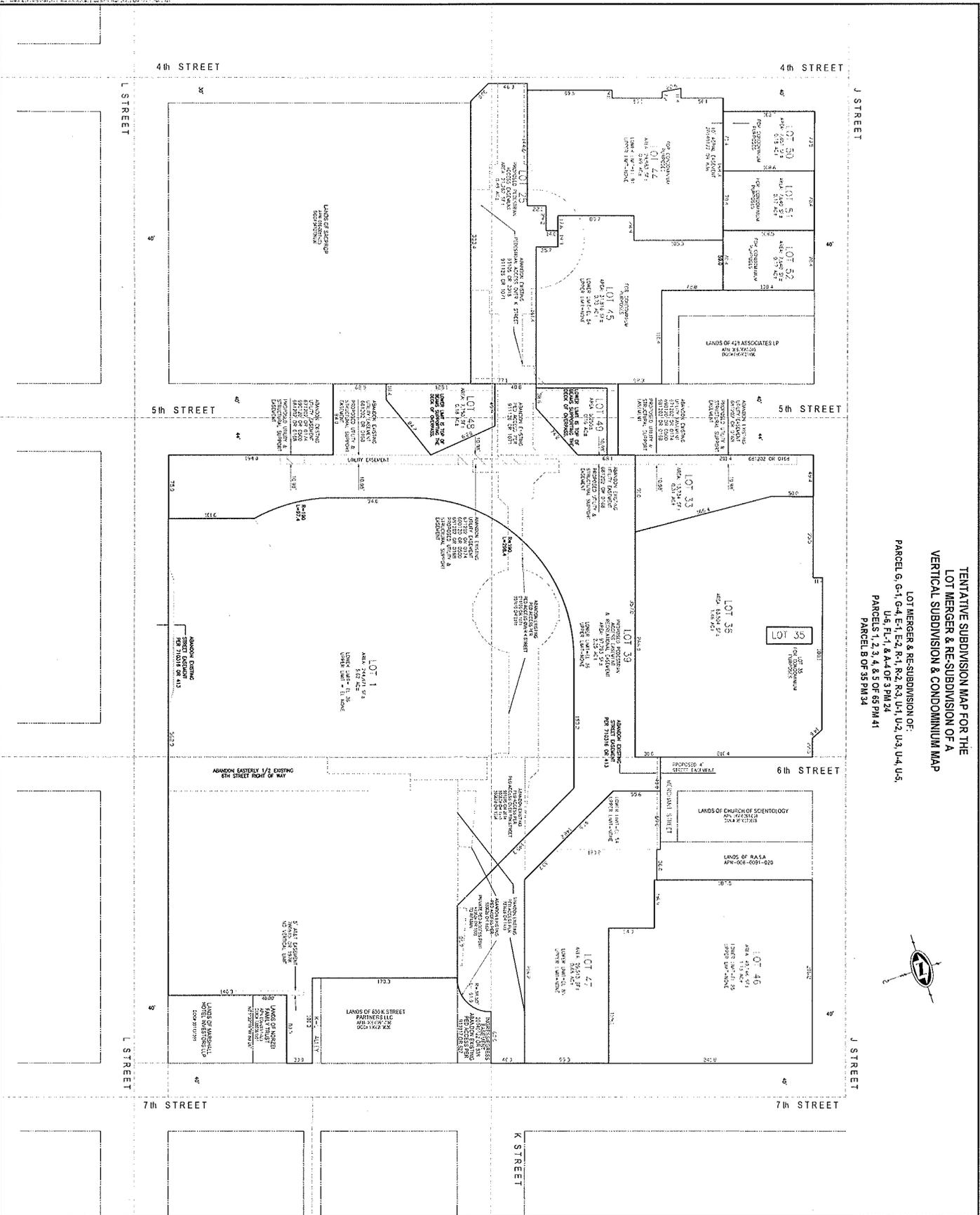
TENTATIVE MAP
 SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT
 SACRAMENTO, CA

PHASED TENTATIVE
 SUBDIVISION MAP
 ELEVATION 2 TO 31'

DATE	21 MARCH 2014	NO.	5
BY	H. T. WAD		
SCALE	AS SHOWN		
PROJECT	PHASED TENTATIVE SUBDIVISION MAP ELEVATION 2 TO 31'		
DATE	21 MARCH 2014	NO.	5
BY	H. T. WAD		
SCALE	AS SHOWN		
PROJECT	PHASED TENTATIVE SUBDIVISION MAP ELEVATION 2 TO 31'		

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E, E-2, R-2, R-3, U-1, U-2, U-3, U-4, U-5,
 U-6, U-7, & U-8 AND OF 3 P.M.S.
 PARCELS T, Z, 3, & 3 OF 67 P.M. 41
 PARCEL B OF 35 P.M. 34



mpt
 MORTON & PRALLO, INC.
 CIVIL ENGINEERS AND ARCHITECTS
 1500 K STREET, SUITE 200
 SACRAMENTO, CALIFORNIA 95811
 TEL: 916.441.1111 FAX: 916.441.1112
 WWW.MPT.COM

TENTATIVE MAP
 SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT
 SUBDIVISION NO. 02

DATE: 21 MARCH 2012
 SHEET: 7
 TOTAL SHEETS: 7
 DRAWN BY: H. T. WANG
 CHECKED BY: 1580495

1. THE CITY OF SACRAMENTO HAS REVIEWED THIS TENTATIVE MAP AND HAS DETERMINED THAT IT CONFORMS WITH THE SUBDIVISION MAP ACT AND THE SUBDIVISION MAP REGULATIONS.
 2. THE CITY OF SACRAMENTO HAS REVIEWED THIS TENTATIVE MAP AND HAS DETERMINED THAT IT CONFORMS WITH THE SUBDIVISION MAP ACT AND THE SUBDIVISION MAP REGULATIONS.
 3. THE CITY OF SACRAMENTO HAS REVIEWED THIS TENTATIVE MAP AND HAS DETERMINED THAT IT CONFORMS WITH THE SUBDIVISION MAP ACT AND THE SUBDIVISION MAP REGULATIONS.
 4. THE CITY OF SACRAMENTO HAS REVIEWED THIS TENTATIVE MAP AND HAS DETERMINED THAT IT CONFORMS WITH THE SUBDIVISION MAP ACT AND THE SUBDIVISION MAP REGULATIONS.
 5. THE CITY OF SACRAMENTO HAS REVIEWED THIS TENTATIVE MAP AND HAS DETERMINED THAT IT CONFORMS WITH THE SUBDIVISION MAP ACT AND THE SUBDIVISION MAP REGULATIONS.
 6. THE CITY OF SACRAMENTO HAS REVIEWED THIS TENTATIVE MAP AND HAS DETERMINED THAT IT CONFORMS WITH THE SUBDIVISION MAP ACT AND THE SUBDIVISION MAP REGULATIONS.
 7. THE CITY OF SACRAMENTO HAS REVIEWED THIS TENTATIVE MAP AND HAS DETERMINED THAT IT CONFORMS WITH THE SUBDIVISION MAP ACT AND THE SUBDIVISION MAP REGULATIONS.

APPROVED BY THE CITY ENGINEER:

 DATE: _____

APPROVED BY THE COUNTY ENGINEER:

 DATE: _____

APPROVED BY THE STATE ENGINEER:

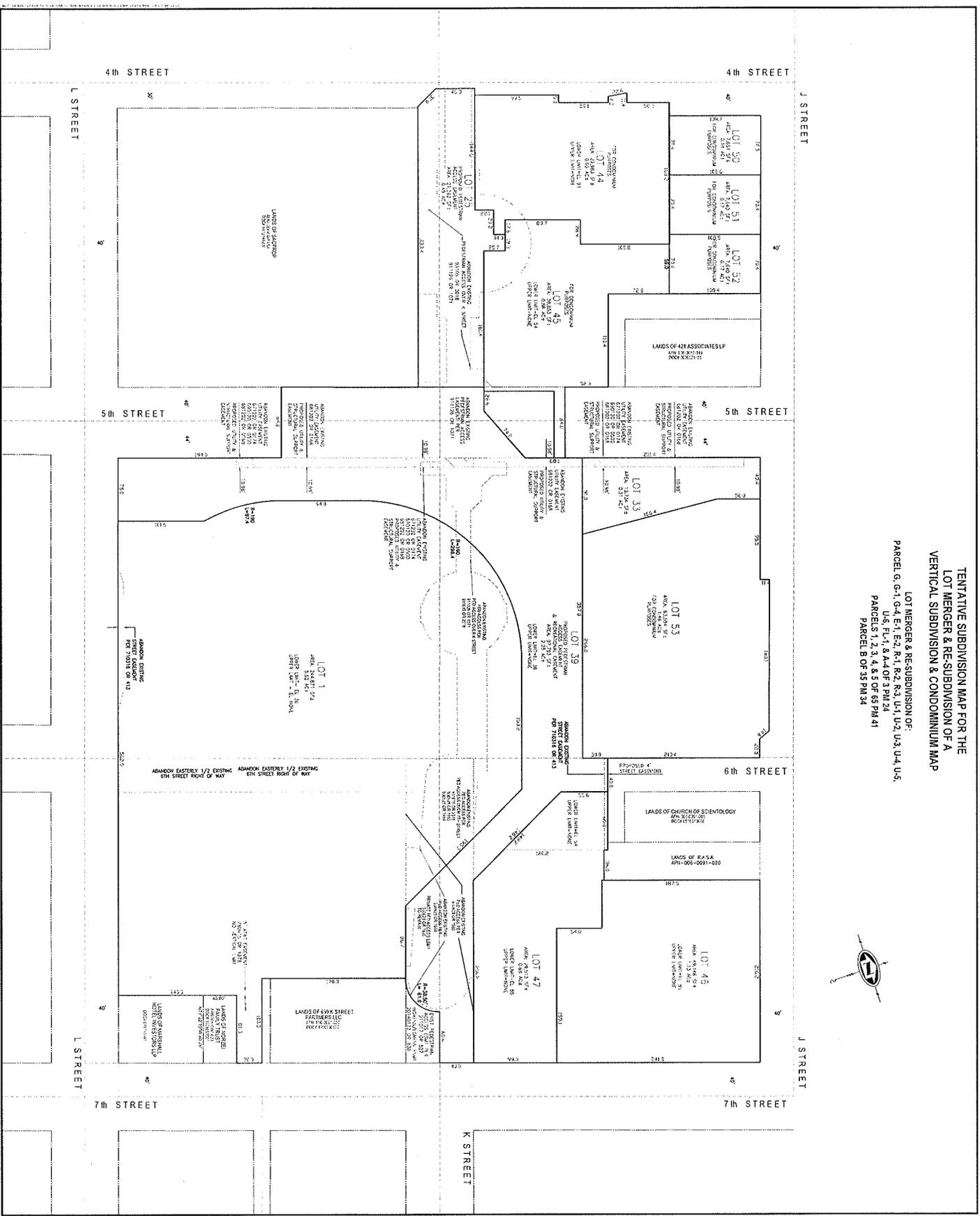
 DATE: _____

APPROVED BY THE DISTRICT ENGINEER:

 DATE: _____

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E-1, E-2, R-1, R-2, R-3, U-1, U-2, U-3, U-4, U-5,
 U-6, P-1, & A-4 OF 3 PM 24
 PARCELS 1, 2, 3, 4, & 5 OF 65 PM 41
 PARCEL B OF 35 PM 34



NORTON & PITALO, INC.
 LAND SURVEYING & ENGINEERING
 1000 J STREET, SUITE 100
 SACRAMENTO, CA 95811
 (916) 441-1111
 www.norton-pitalo.com

TENTATIVE MAP
**SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT**
 SACRAMENTO, CA

PHASED TENTATIVE
 SUBDIVISION MAP
 ELEVATION ABOVE 139'

DATE	21 MAR 2014	8
BY	N. T. W.	3
SCALE	AS SHOWN	

EXHIBIT B

[see attached]

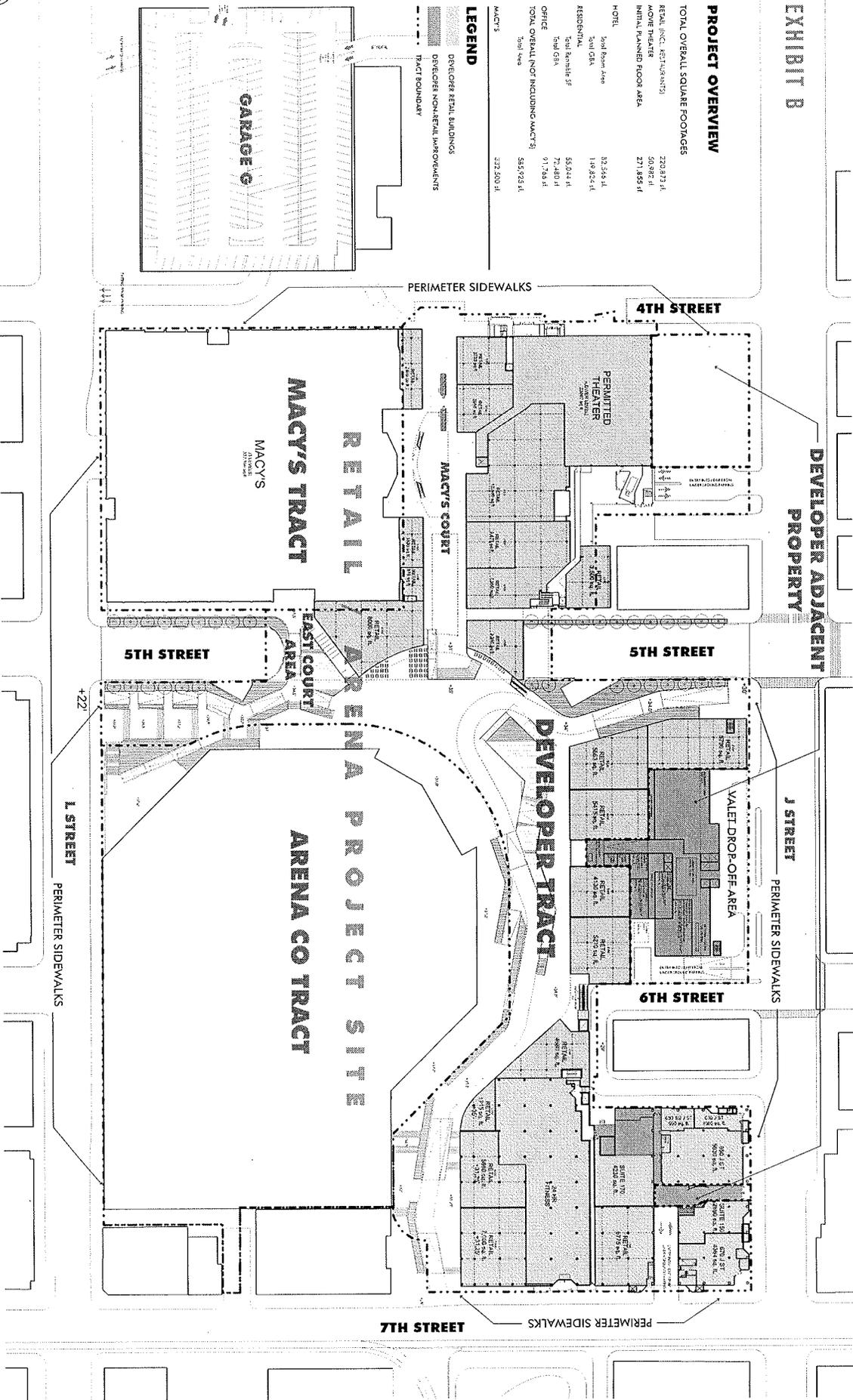
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	279,873 SF
RETAIL (MCC, RESTAURANTS)	50,982 SF
MOVIE THEATER	271,895 SF
INITIAL PLANNED FLOOR AREA	
HOTEL	
Hotel Room Area	32,358 SF
Hotel GEA	1,189,826 SF
RESIDENTIAL	
Total Rental SF	55,034 SF
Hotel GEA	27,489 SF
OFFICE	91,758 SF
TOTAL OVERALL (NOT INCLUDING MACY'S)	585,925 SF
MACY'S	372,500 SF

LEGEND

- DEVELOPER RETAIL BUILDINGS
- DEVELOPER NON-RETAIL IMPROVEMENTS
- TRACT BOUNDARY



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

MAIN CONCOURSE PLAN (+37'-0")

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

RIDOS CLEMENTI HALE STUDIOS

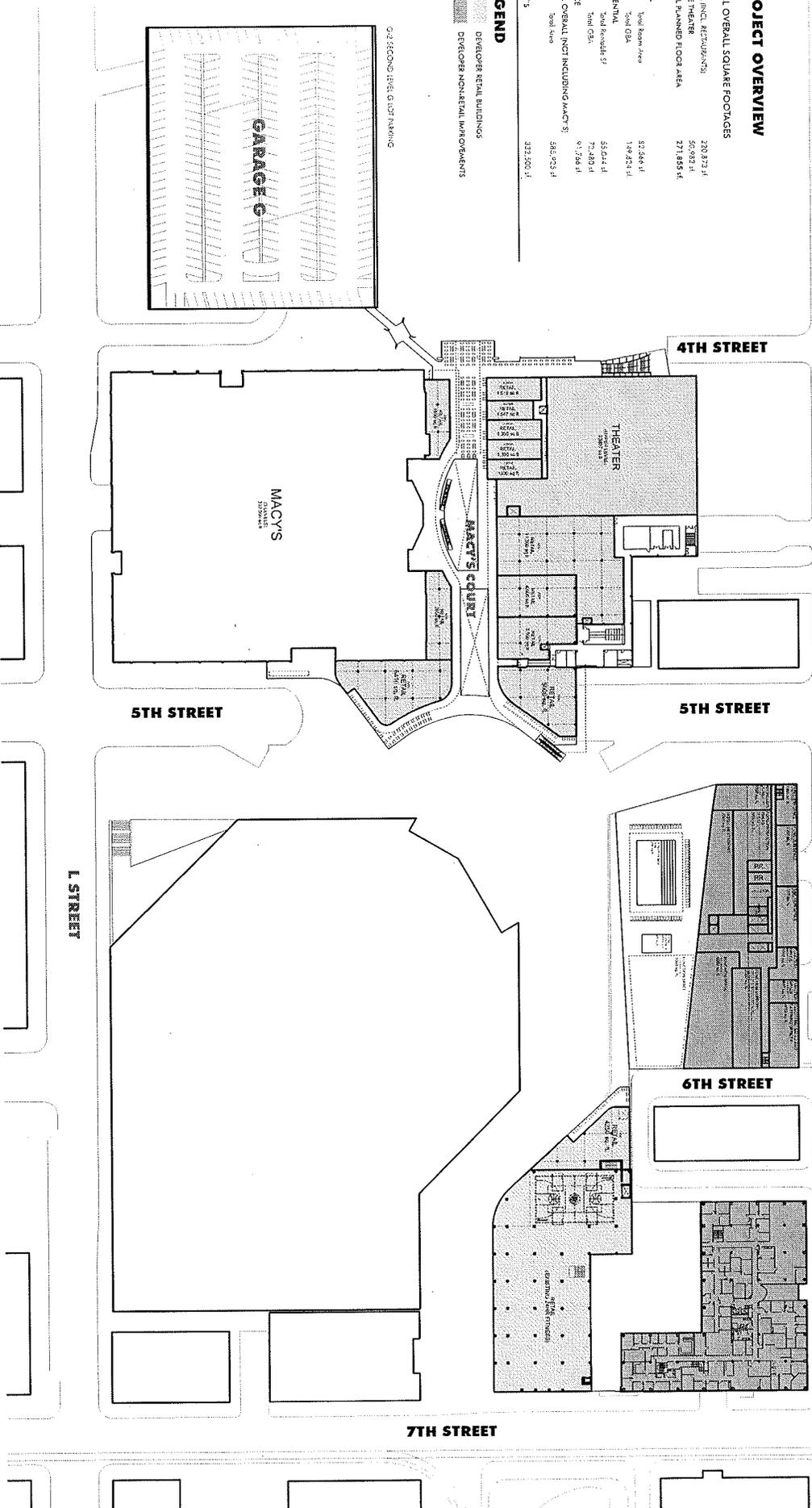
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	230,873 SF
RETAIL (INC. RESTAURANTS)	50,983 SF
ADVERTISING	271,855 SF
INITIAL PLANNED FLOOR AREA	
HOTEL	
Total Room Area	82,586 SF
Total GSA	149,423 SF
RESIDENTIAL	
Total Residential SF	55,044 SF
Total GSA	72,480 SF
OFFICE	
TOTAL OVERALL (INCL. INCLUDING MACYS' SF)	582,923 SF
Total Area	322,200 SF
MACYS'	
Total Area	322,200 SF

LEGEND

-  DEVELOPER RETAIL BUILDINGS
-  DEVELOPER NON-RETAIL IMPROVEMENTS



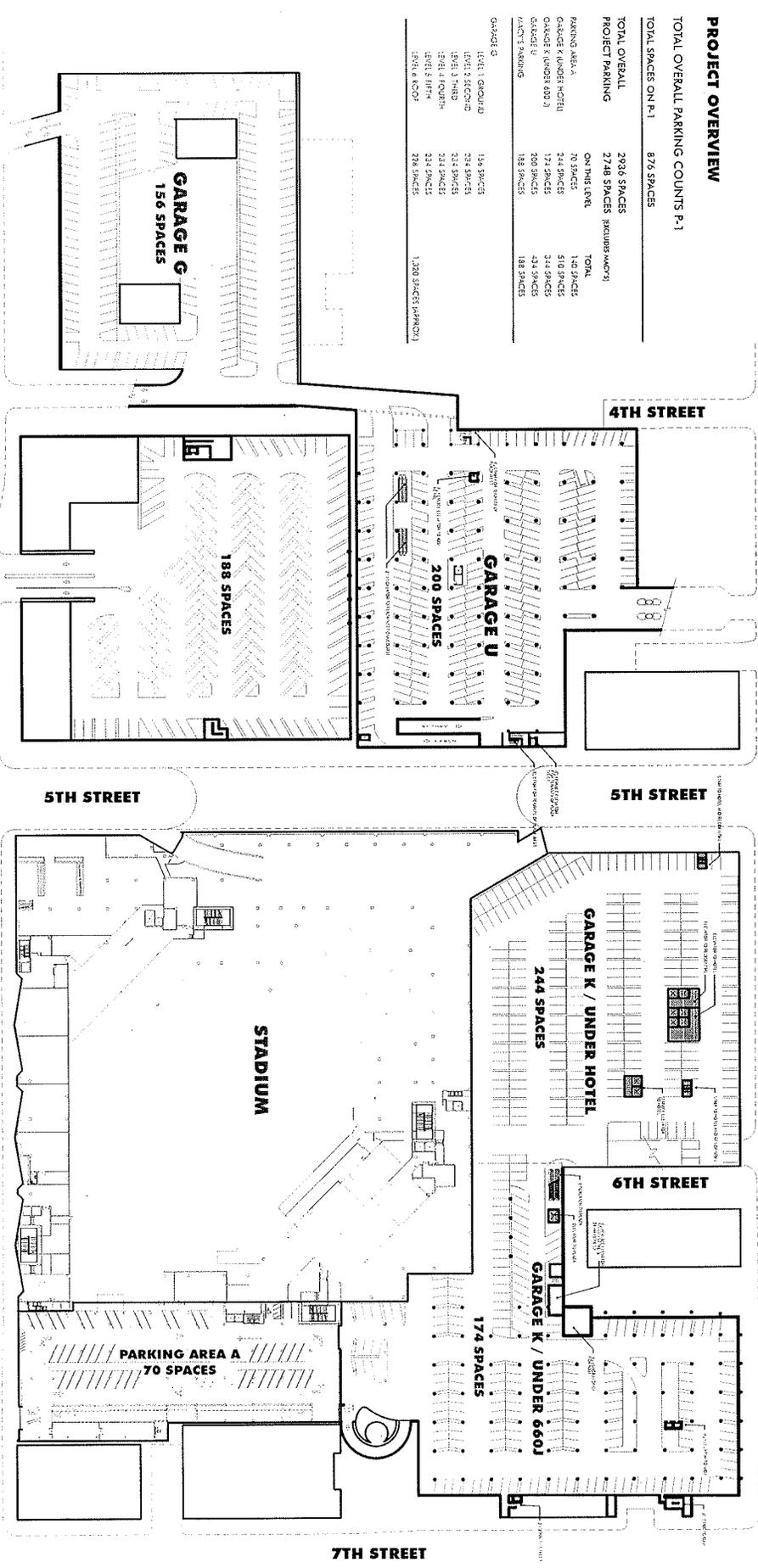
1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36 FORMAT

SECOND LEVEL PLAN (+57'-0")

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL PARKING COUNTS P-1	876 SPACES	
TOTAL OVERALL PROJECT PARKING	2936 SPACES	(EXCLUDES M+O'S)
TOTAL SPACES ON P-1	2748 SPACES	(EXCLUDES M+O'S)
ON THE LEVEL	70 SPACES	TOTAL
UNDER HOTEL	244 SPACES	146 SPACES
UNDER 660J	174 SPACES	614 SPACES
UNDER 660I	200 SPACES	544 SPACES
UNDER 660J	188 SPACES	434 SPACES
UNDER 660K	156 SPACES	188 SPACES
UNDER 660L	188 SPACES	
UNDER 660M	1200 SPACES	



1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36 FORMAT

PARKING LEVEL 01 (P-1)

EXHIBIT B

PROJECT OVERVIEW

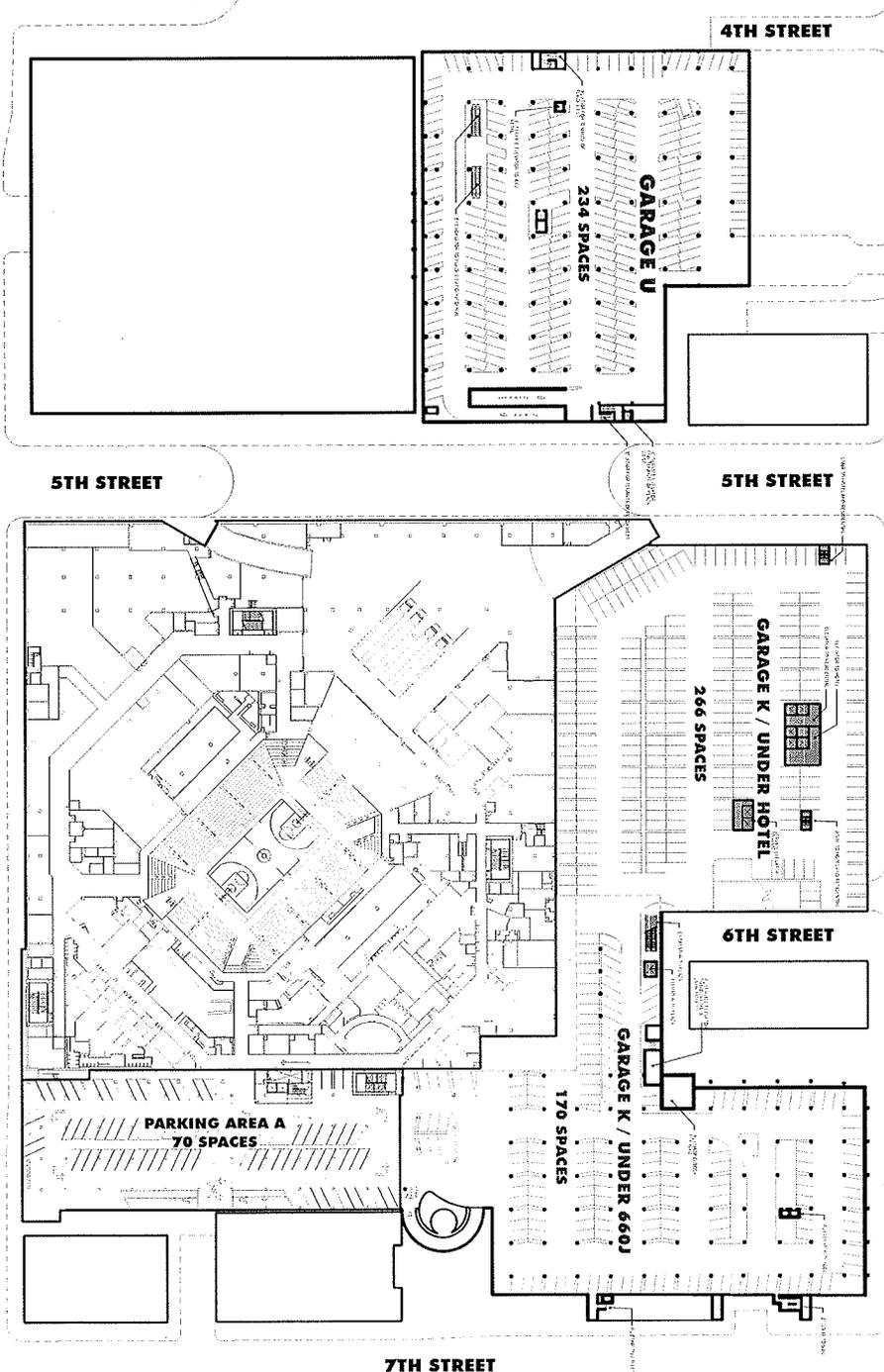
TOTAL OVERALL PARKING COUNTS P-2

TOTAL SPACES ON P-2 749 SPACES

TOTAL OVERALL 2936 SPACES
PROJECT PARKING 2748 SPACES (EXCLUDES MACT'S)

PARKING AREA	ON THIS LEVEL	TOTAL
PARKING AREA A	70 SPACES	140 SPACES
GARAGE K / UNDER HOTEL	266 SPACES	510 SPACES
GARAGE K / UNDER 660J	170 SPACES	344 SPACES
GARAGE U	234 SPACES	468 SPACES
MACT'S PARKING	0 SPACES	188 SPACES

GARAGE	LEVEL 1 (GROUND)	LEVEL 2 (SECOND)	LEVEL 3 (THIRD)	LEVEL 4 (FOURTH)	LEVEL 5 (FIFTH)	LEVEL 6 (SIXTH)	TOTAL
GARAGE U	156 SPACES	234 SPACES	234 SPACES	234 SPACES	234 SPACES	238 SPACES	1,320 SPACES (APPROX)



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

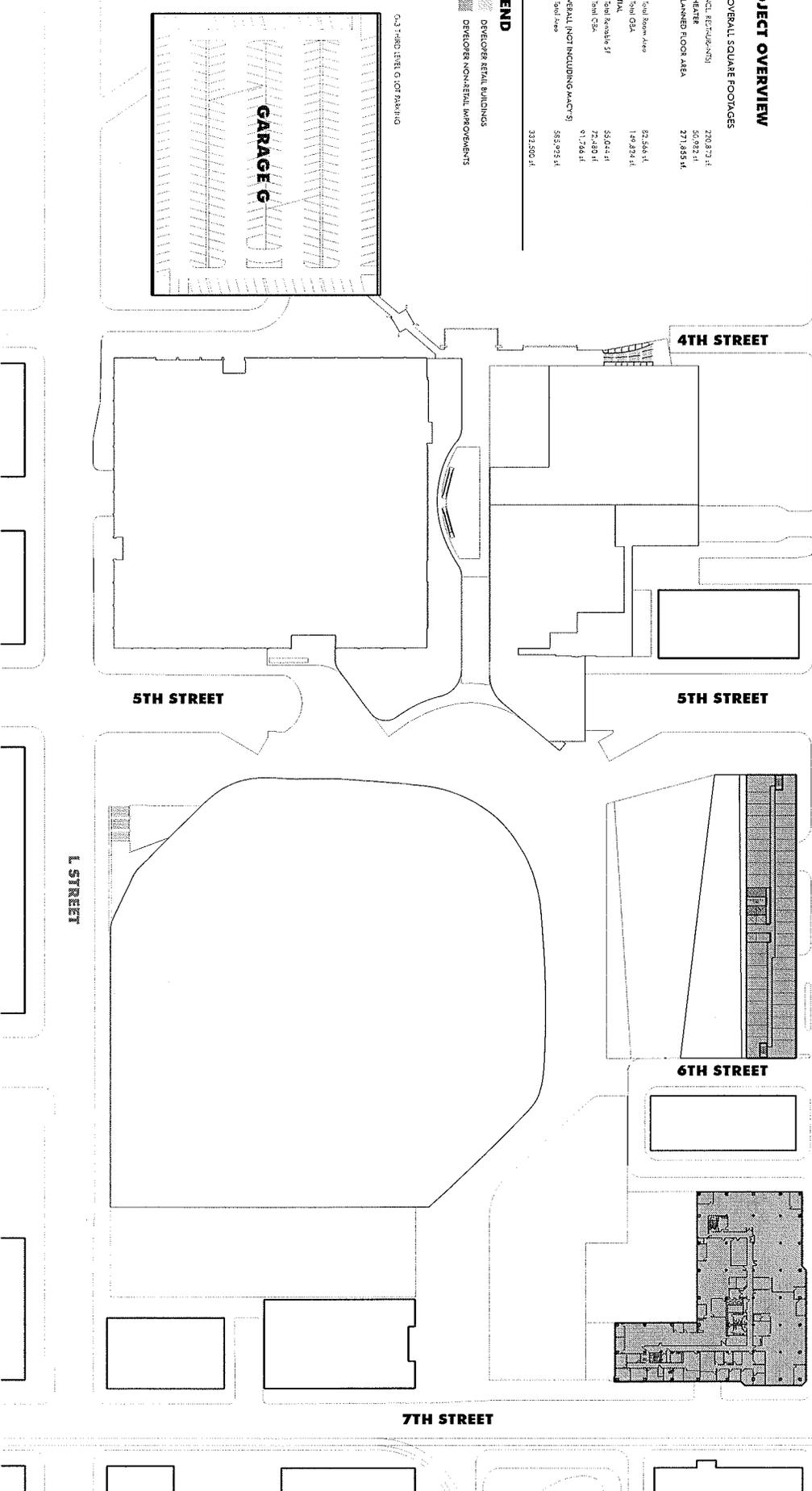
PARKING LEVEL 02 (P-2)

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (INCL. RESTROOMS)	220,873 SF
MOVIE THEATER	56,992 SF
INITIAL PLANNED FLOOR AREA	271,935 SF
HOTEL	
Hotel Room Area	82,586 SF
Hotel CSA	149,824 SF
RESIDENTIAL	
Hotel Residence SF	55,044 SF
Hotel CSA	72,480 SF
Hotel Residence	91,746 SF
OFFICE	
TOTAL OVERALL (NOT INCLUDING MACYS)	583,225 SF
Hotel Area	393,500 SF

- LEGEND**
- DEVELOPER RETAIL BUILDINGS
 - DEVELOPER NON-RETAIL IMPROVEMENTS



THIRD LEVEL PLAN (+72'-0")

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

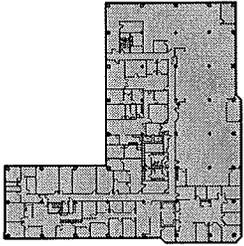
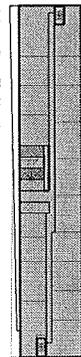
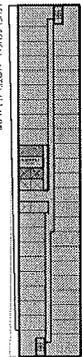
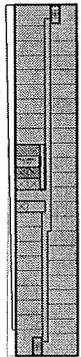
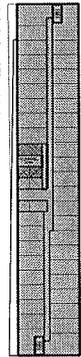
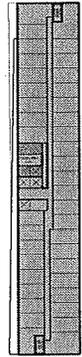
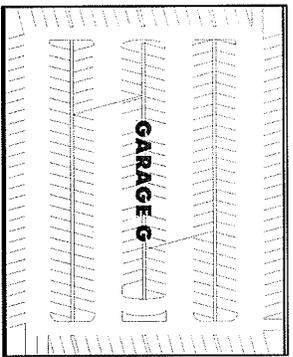
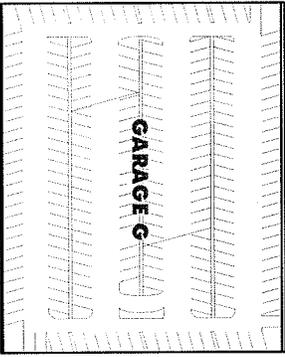
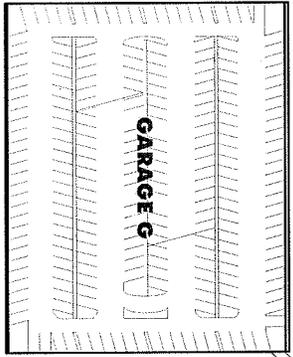
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL INCL. RESTAURANT	220,735 SF
MOVIE THEATER	59,862 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Total Floor Area	82,568 SF
Total GSA	179,824 SF
RESIDENTIAL	
Total Developable SF	55,044 SF
Total GSA	72,480 SF
OFFICE	
Total GSA	97,768 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	555,925 SF
Total Area	392,505 SF

- LEGEND**
- DEVELOPER RETAIL BUILDINGS
 - DEVELOPER NON-RETAIL IMPROVEMENTS



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

LEVELS FOUR THROUGH EIGHT

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL INCL. RESTAURANTS	220,873 SF
MOVIE THEATER	50,988 SF
INITIAL PLANNED FLOOR AREA	271,865 SF

HOTEL

Hotel Room Area	82,568 SF
Hotel CEN	139,874 SF

RESIDENTIAL

Hotel/Residential SF	58,014 SF
Hotel CEN	77,480 SF
Office	91,756 SF

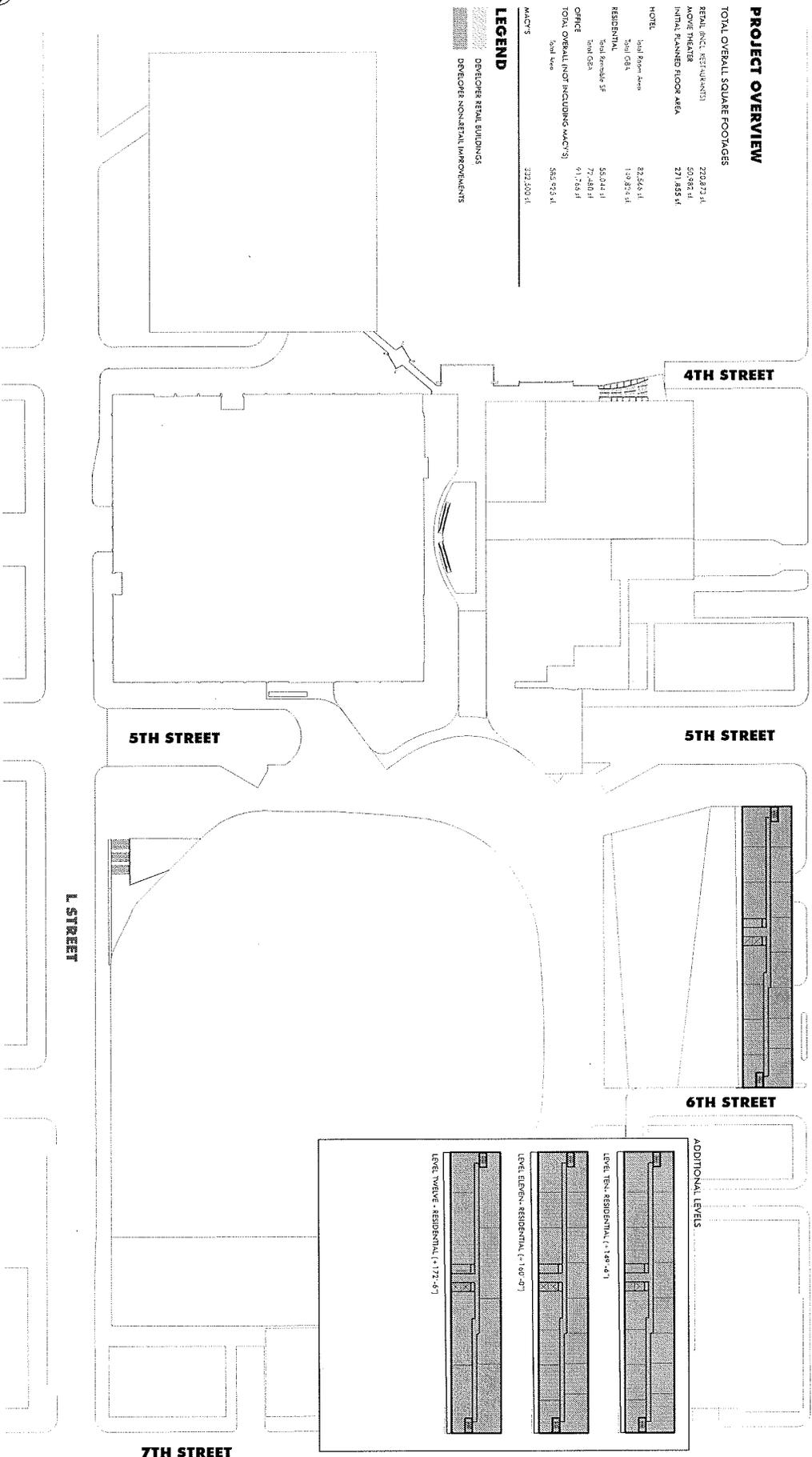
TOTAL OVERALL (NOT INCLUDING MACT'S)
585,923 SF

MACT'S
322,500 SF

LEGEND

DEVELOPER RETAIL BUILDINGS

DEVELOPER NONRETAIL IMPROVEMENTS



1" = 50'-0" SCALE
PLOT PRINTED AT 7/26/14 10:46 AM

LEVELS NINE THROUGH TWELVE

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

RIOS CLEMENTI HALE STUDIOS

PAGE 07/14

EXHIBIT B

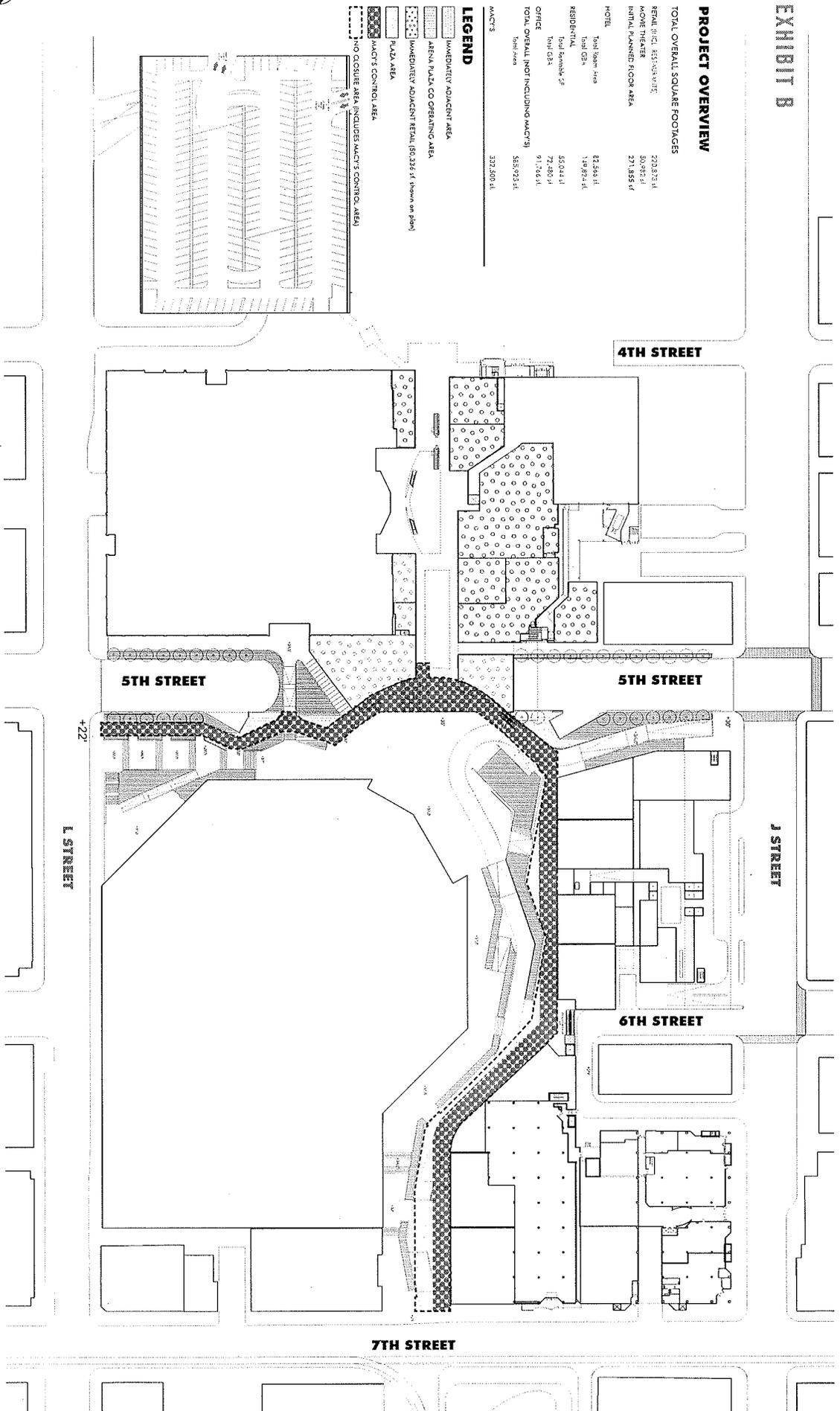
PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (INCL. RES. RESTAURANT)	220,373 SF
HOME THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Total Room Area	82,556 SF
Total CEA	1,149,879 SF
RESIDENTIAL	
Total CEA	55,044 SF
Total Rentside SF	72,805 SF
OFFICE	
Total CEA	917,844 SF
TOTAL OVERALL (NOT INCLUDING MACT'S)	585,973 SF
Total Area	332,500 SF

LEGEND

- IMMEDIATELY ADJACENT AREA
- ARENA FLOOR CO-OPERATING AREA
- IMMEDIATELY ADJACENT RETAIL (50,335 SF shown on plan)
- PLAZA AREA
- MACT'S CONTROL AREA
- NO CURB AREA (INCLUDES MACT'S CONTROL AREA)



1" = 50'-0" SCALE
 WHEN PRINTED AT 25x36 FORMAT

AREA PLAN

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

RIOS CLEMENTI HALE STUDIOS

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (INCL. RESTAURANTS)	232,873 SF
MOVIE THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	271,855 SF

HOTEL

Total Room Area	82,384 SF
Total GSA	1,149,224 SF

RESIDENTIAL

Total Available SF	53,044 SF
Total GSA	72,480 SF
Total Area	91,726 SF

OFFICE

TOTAL OVERALL (NOT INCLUDING MACT'S)	585,973 SF
Total Area	332,200 SF

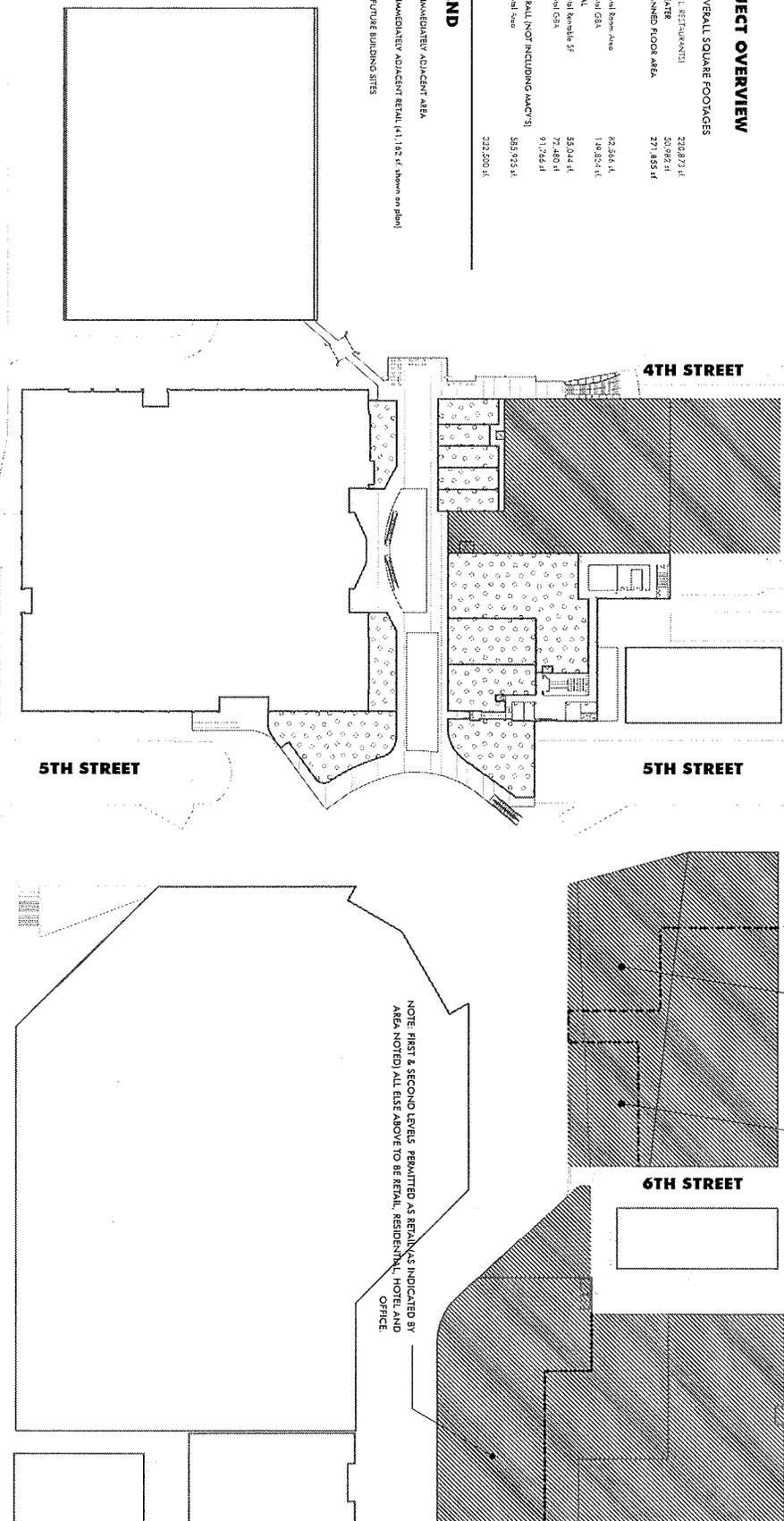
LEGEND

- IMMEDIATELY ADJACENT AREA
- IMMEDIATELY ADJACENT RETAIL (A, I, G, F, shown on plan)
- FUTURE BUILDING SITES

NOTE: FIRST TWO LEVELS RETAIL & PERMITTED THEATER. ALL ELSE ABOVE TO BE RETAIL, RESIDENTIAL, HOTEL AND OFFICE.

NOTE: FIRST LEVEL PERMITTED AS RETAIL AS INDICATED BY AREA NOTED. ALL ELSE ABOVE TO BE RETAIL, RESIDENTIAL, HOTEL AND OFFICE.

NOTE: FIRST & SECOND LEVELS PERMITTED AS RETAIL AS INDICATED BY AREA NOTED. ALL ELSE ABOVE TO BE RETAIL, RESIDENTIAL, HOTEL AND OFFICE.



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

AREA PLAN

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

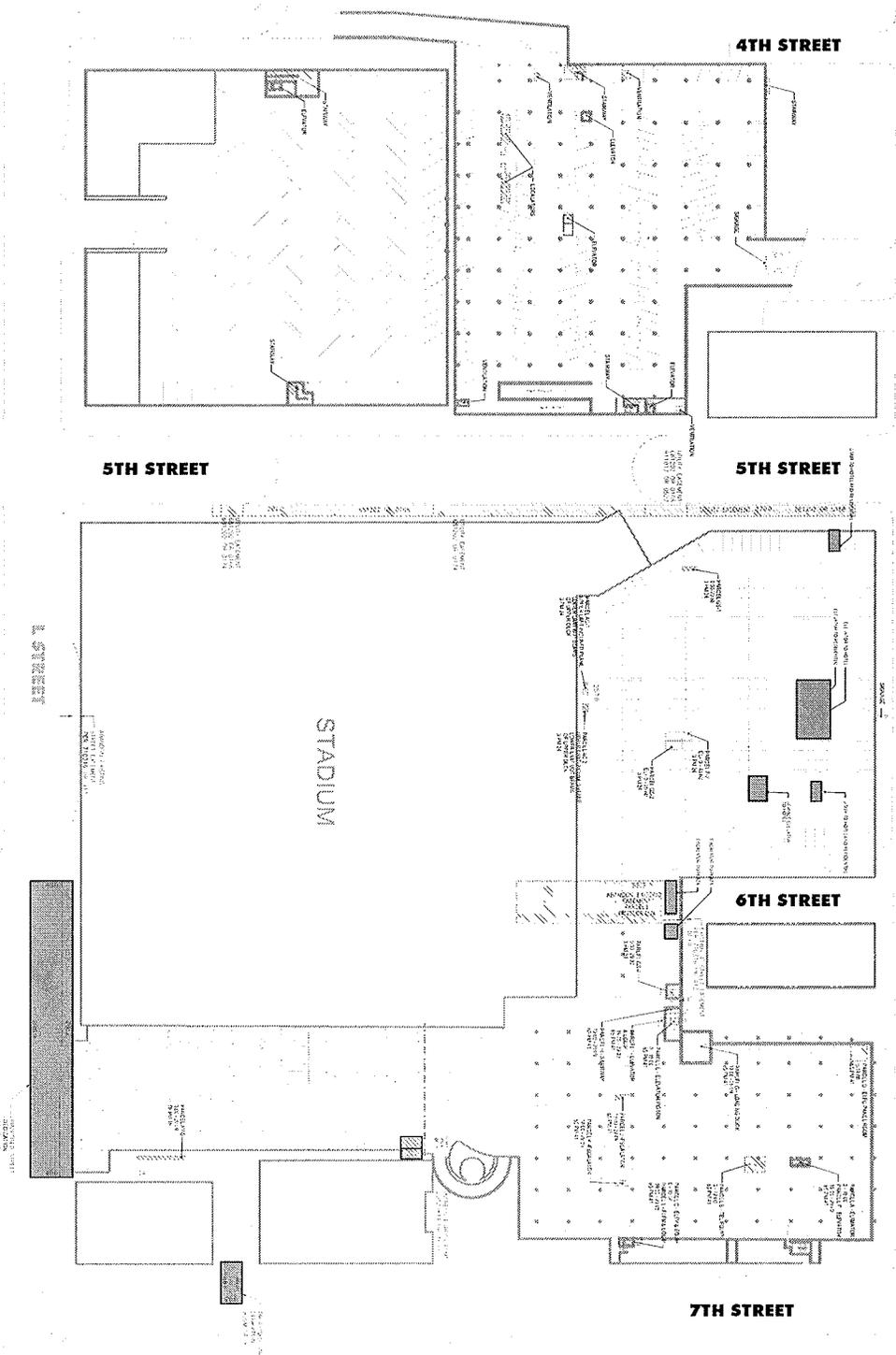
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	220,723 SF
RETAIL (IN CL. ESTIMATED)	50,982 SF
MOVIE THEATER	271,858 SF
INITIAL PLANNED FLOOR AREA	271,858 SF
HOTEL	
Total Room Area	87,589 SF
Total Corr.	1,498,224 SF
RESIDENTIAL	
Total Bed/Bath SF	55,014 SF
Total Corr.	72,480 SF
OFFICE	91,726 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	553,975 SF
MACYS	332,500 SF

LEGEND

- EXISTING EASEMENTS
- NEW EASEMENTS



1" = 50'-0" SCALE
 WHEN PRINTED IN 24x36 FORMAT

EASEMENTS

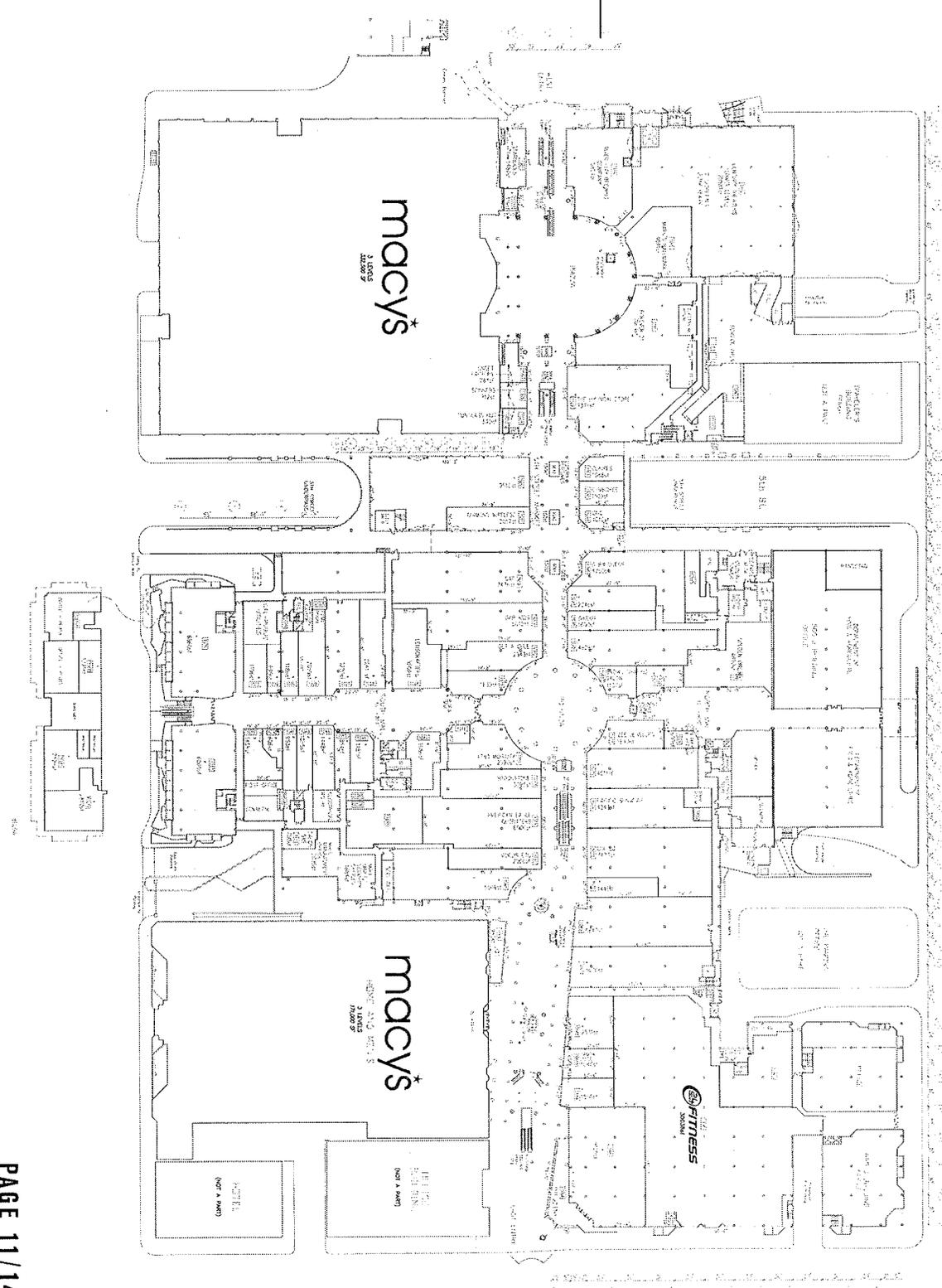
CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (INCL. RESTAURANTS)	229,873 SF
MOVIE THEATER	50,992 SF
INITIAL PLANNED FLOOR AREA	271,865 SF
HOTEL	
Total Room Area	82,566 SF
Total GFA	149,874 SF
RESIDENTIAL	
Total Rental SF	55,044 SF
Total GFA	72,489 SF
OFFICE	91,744 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	
Total Area	585,925 SF
MACYS	320,509 SF

LEGEND



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

DEVELOPER EXISTING IMPROVEMENTS - MAIN CONCOURSE

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

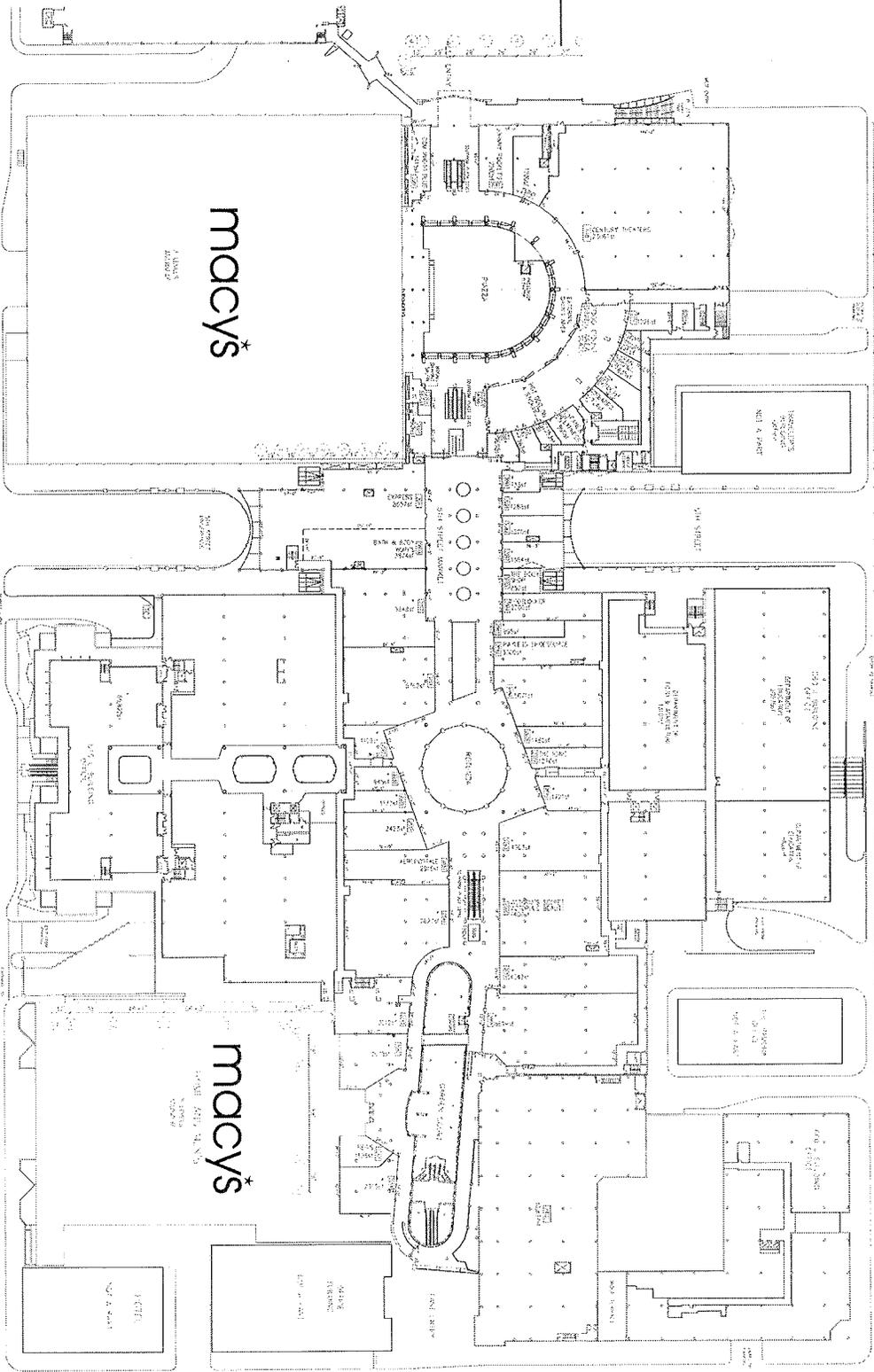
RIOS CLEMENTI HALE STUDIOS

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (R/C), RESTAURANTS	220,873 SF
MOVIE THEATRE	50,483 SF
INITIAL PLANNED FLOOR AREA	271,355 SF
HOTEL	
Hotel Room Area	82,359 SF
Hotel GA	1,49,824 SF
RESIDENTIAL	
Total Rental SF	55,044 SF
Hotel GA	72,409 SF
Office	91,726 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	555,975 SF
Total Area	322,500 SF

LEGEND



1" = 50'-0" SCALE
 SHEET PRINTED AT 25x36 FORMAT

DEVELOPER EXISTING IMPROVEMENTS - SECOND LEVEL

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

RIOS CLEMENTI HALE STUDIOS

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL, HOTEL, RESTAURANTS
MOVIE THEATER
INITIAL PLANNED FLOOR AREA

193,276 SF
46,458 SF
240,524 SF

HOTEL

Initial Room Count
Initial GSA

82,568 SF
1,170,874 SF

RESIDENTIAL

Initial GSA
Initial Rentable SF

59,014 SF
72,480 SF

OFFICE

Initial GSA
Initial Rentable SF

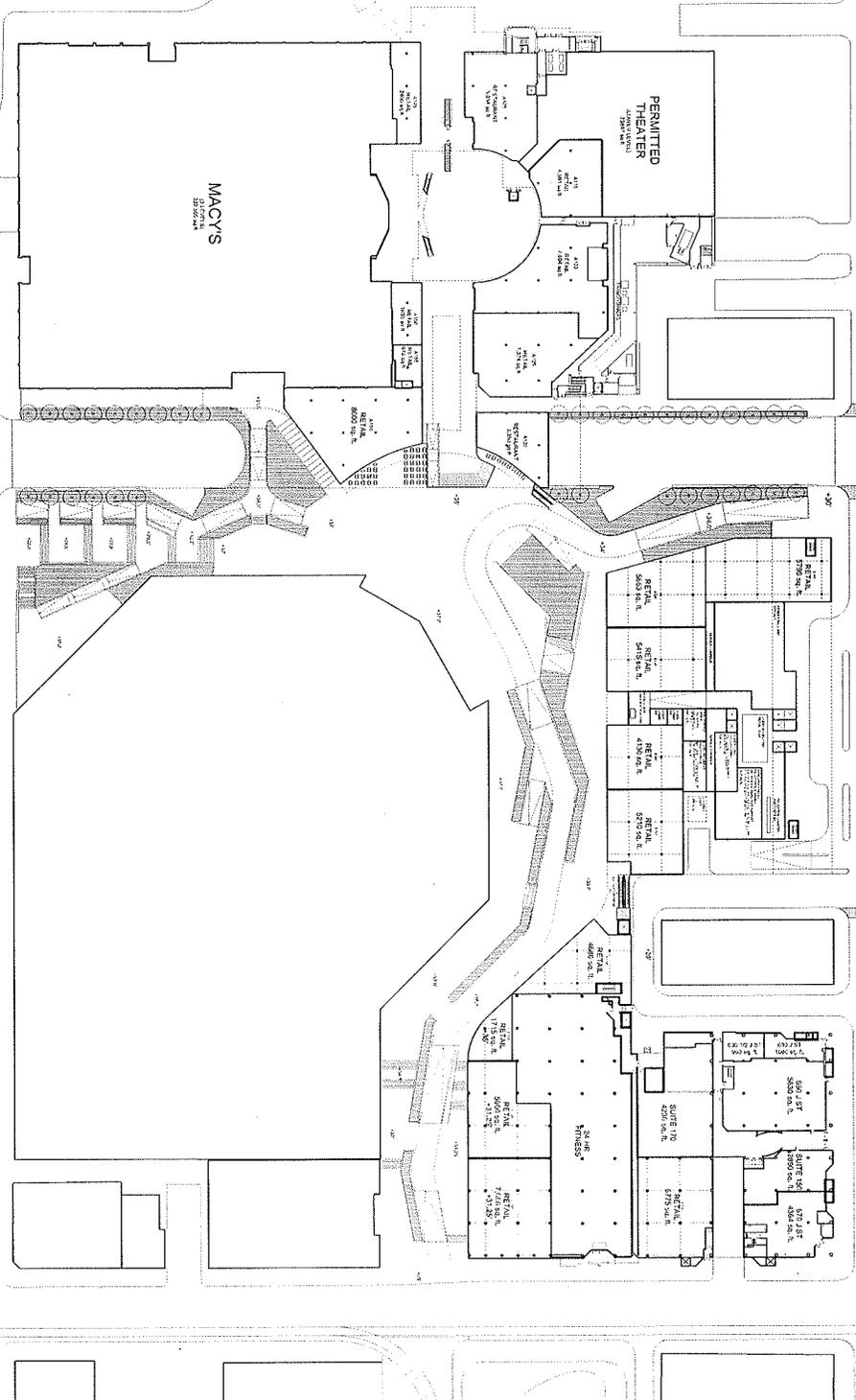
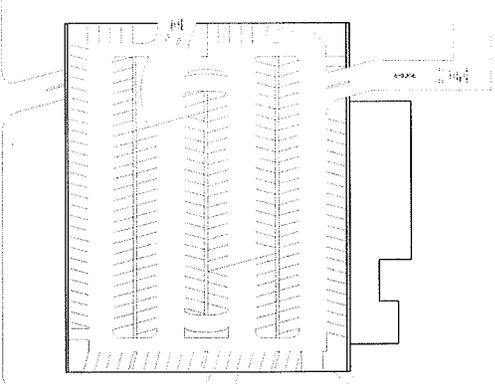
91,736 SF
54,701 SF

TOTAL OVERALL (NOT INCLUDING MACY'S)

Initial Area
Total Area

332,500 SF
332,500 SF

LEGEND



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

ALTERNATIVE GRAND OPENING DATE PLAN - MAIN CONCOURSE

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (INCL. RESTAURANT)
 MOORE THEATER
 INITIAL PLANNED FLOOR AREA

192,872 SF
 46,958 SF
 240,834 SF

HOTEL
 Total Room Area
 Total GSA

53,586 SF
 149,824 SF

RESIDENTIAL
 Total Residential SF
 Total GSA

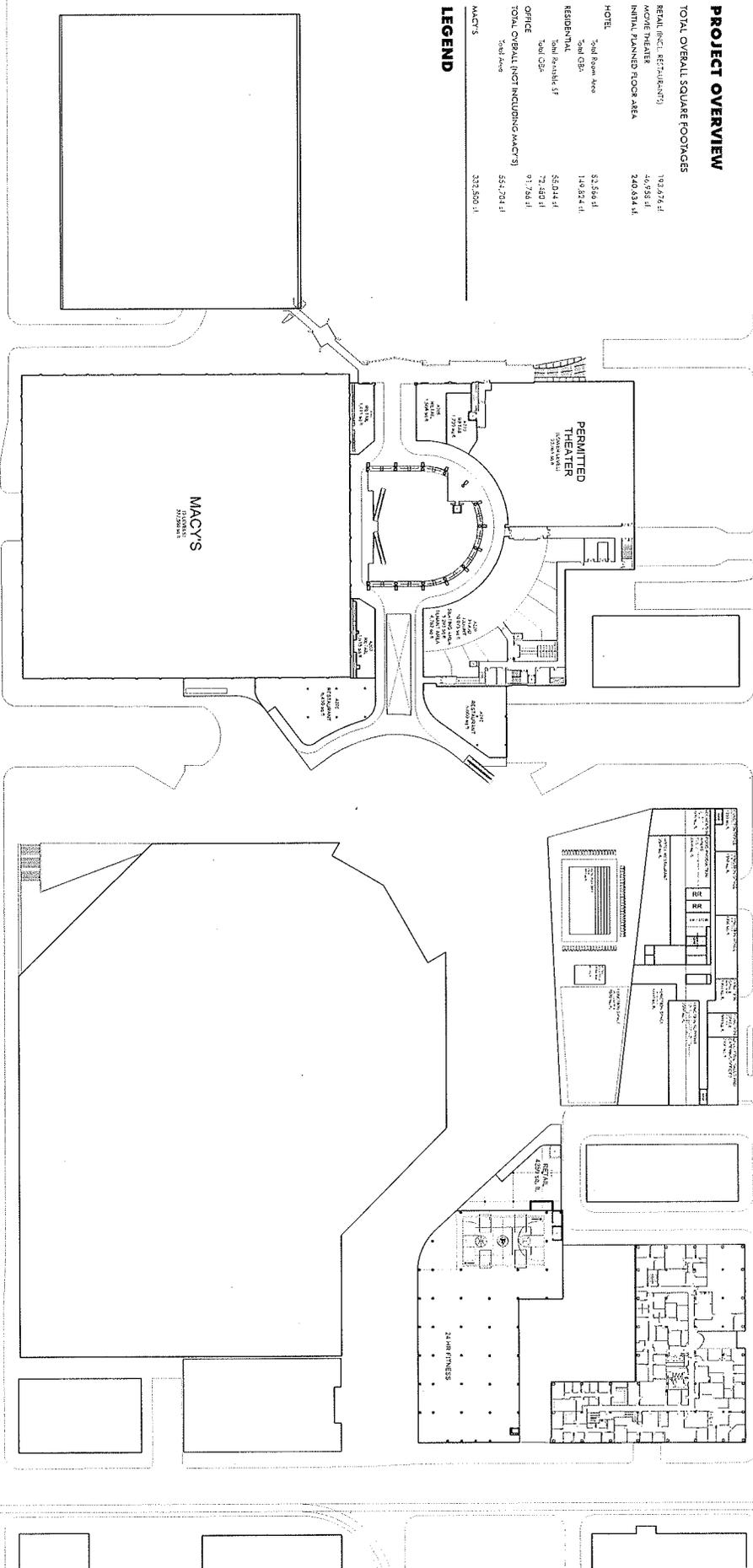
58,044 SF
 72,480 SF

OFFICE
 Total Office
 Total Area

91,746 SF
 55,274 SF

MACY'S
 272,200 SF

LEGEND



1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36 FORMAT

ALTERNATIVE GRAND OPENING DATE PLAN - SECOND LEVEL

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT C

SIGN CRITERIA

These criteria have been established for the purpose of ensuring an outstanding Retail/Arena Project. Except as set forth in Part D hereof with respect to Macy's and except that this Exhibit C does not apply to the Building on the Arena Co. Tract, all Occupants shall be responsible for adherence to the provisions of this Exhibit C. Conformance will be strictly enforced and any installed, nonconforming or unapproved signs must be brought into conformance at the expense of the Occupant.

The Developer shall administer and interpret these criteria, but the Developer is not empowered to authorize any departure without the approval of Macy's.

A. GENERAL REQUIREMENTS. The following general requirements shall apply to all signage unless otherwise provided herein:

1. Each Occupant shall submit or cause to be submitted to the Developer for approval before fabrication detailed drawings covering the location, size, layout, design and color of the proposed sign, including all lettering and/or graphics.

2. Unless approved by the Developer no signs shall be permitted on the exterior of the Developer Retail Improvements. The "exterior" of the Developer Retail Improvements includes those portions of the Developer Retail Improvements facing onto the Plaza Area.

3. All signs in the Plaza Area west of 5th shall be located as shown on Exhibit B or in other locations approved by Macy's. The drawings for such signs shall be submitted to Macy for their approval as part of the Developer Plans and shall not be governed by these criteria.

4. All permits for signs and their installation shall be obtained by the Occupant or its representative.

5. Each Occupant shall be responsible for its signs fulfilling all requirements and qualifications of this Exhibit C which are applicable to such Occupant.

B. DESIGN REQUIREMENTS. The following design requirements shall apply to all signage unless otherwise provided herein:

1. Signs shall be permitted in the Plaza Area west of 5th Street only within the sign areas shown on a sign plan and approved by Macy's.

2. Notwithstanding anything to the contrary set forth in this Exhibit C, Macy's shall have no approval rights with respect to signs within the Project (other than the Plaza Area that is west of 5th Street or on the Macy Tract); provided, however, that Macy shall have reasonable approval rights with respect to free standing signs in the portion of the Plaza Area east of 5th Street that are sited in locations within the East Court as shown on Exhibit B inasmuch, and that, in Macy's reasonable judgment, will block visibility to Macy's signs or the entrance to the Macy Building.

C. MISCELLANEOUS REQUIREMENTS. Except as otherwise provided herein, each Occupant shall comply with the following miscellaneous requirements:

1. Each Occupant shall be permitted to place upon each entrance of its premises not more than 144 square inches of gold leaf or decal application lettering, not to exceed two (2) inches in height, indicating such items as hours of business and emergency telephone numbers.

2. Each Occupant that has a noncustomer door for receiving merchandise shall be permitted to display said Occupant's name and address thereon. Such signage shall be in such location on the noncustomer door as the Project Architect may direct, in block letters uniformly applied and not exceeding two (2) inches in height and in such color as Project Architect may specify. Where more than one (1) Occupant uses the same door, each name and address shall be so displayed.

3. If required by the U. S. Post Office, an Occupant may install on the enclosed Plaza Area front of its premises the numbers only for the street address in such exact location, size, type and color as provided for in the Tenant Sign Criteria.

4. Paper signs and/or stickers utilized as window signs and signs of a temporary nature, of whatever composition or material, are not permitted.

D. Macy's

1. The provisions of this Exhibit C shall not be applicable to the identification signs of Macy's will maintain their existing signs and may have any other identification signs typically placed on its Building, as the same exist on similar buildings operated from time to time by Macy's in Northern California. Plaza Area entrance signs of Macy shall be similar to those of Macy in shopping centers in Northern California.

2. Nothing herein shall be deemed to prohibit from having identification signs attached to the exterior facades of any mechanical penthouse upon its Building, provided that such sign(s) shall not extend higher than the top of any such penthouse.

3. Macy's shall have the right to add separate exterior signage on the western or southern sides of its store to identify any restaurant operation it may have in its building.

EXHIBIT D

RULES AND REGULATIONS

A. Plaza Area.

1. The surface of the Plaza Area shall be maintained level, smooth and evenly covered with the type of surfacing material originally installed thereon, or such substitute thereof as shall be in all respects equal thereto in quality, appearance and durability.
2. All papers, debris, filth and refuse shall be removed from the Retail/Arena Project, and paved areas shall be washed or thoroughly swept as required. All sweeping shall be at intervals before the Buildings shall be open for business to the public, using motor driven parking lot vacuum cleaning vehicles where feasible.
3. All trash and rubbish containers located in the Plaza Area for the use of Permittees shall be emptied daily and shall be washed at intervals sufficient to maintain the same in a clean condition.
4. All landscaping shall be properly maintained, including removal of dead plants, weeds and foreign matter and such replanting and replacement as the occasion may require.
5. All hard-surfaced markings shall be inspected at regular intervals and promptly repainted as the same shall become unsightly or indistinct from wear and tear or any other cause.
6. All storm drain catch basins within the Plaza Area shall be cleaned on a schedule sufficient to maintain all storm drain lines in a free-flowing condition.
7. All Plaza Area stairways shall be: (a) swept and washed at intervals sufficient to maintain the same in a clean condition; (b) inspected at regular intervals, and (c) promptly repaired upon the occurrence of any irregularities, damage or wear and tear thereto.
8. All glass, including skylights, plate glass and/or glass-enclosed devices shall be cleaned at intervals sufficient to maintain the same in a clean condition.
9. All Plaza Area amenities, benches and institutional, directional, traffic and other signs shall be inspected at regular intervals, maintained in a clean and attractive surface condition and promptly repaired or replaced upon the occurrence of any defects or irregularities thereto.
10. All lamps within the Plaza Area shall be inspected at regular intervals and promptly replaced when no longer properly functioning.
11. The improvements on and to the Plaza Area shall be repaired or replaced with materials, apparatus and facilities of quality at least equal to the quality of the materials, apparatus and facilities repaired or replaced.
12. All parties shall use diligent efforts to require its Permittees to comply with all regulations with respect to the Plaza Area.

13. With respect to all mechanical and electrical facilities and systems serving the Plaza Area, including, but not limited to, the lighting facilities, vertical transportation facilities and actuated or manually operated doors, Developer shall (a) inspect the same at regular intervals, and (b) promptly repair the same upon the occurrence of any failure, defect or malfunctioning.

14. All surfaces of the Plaza Area which are painted or otherwise finished shall be cleaned at regular intervals, and repainted or otherwise refinished as necessary.

15. Except for merchandising carts if approved by Macy, all of the Plaza Area west of 5th Street shall be maintained free from any obstructions not required, including the prohibition of the sale, solicitation, storage or display of merchandise or services outside the tenants' lease line within such portion of the Retail/Arena Project, including those within any recessed area, except in areas specifically designed and permitted within such portion of the Retail/Arena Project for such purposes and approved by Macy pursuant to Section 4.4 of this Agreement.

B. Floor Area.

1. All Occupants, except Majors, shall have their window displays and exterior signs adequately illuminated continuously during such hours of darkness as the Plaza Area is required to be Operated. For purposes of Exhibits D and E, "Major" shall mean Macy's or Arena Co. and "Majors" shall mean Macy's and Arena Co.

2. All Floor Area, including vestibules, entrances and returns, doors, fixtures, windows and plate glass shall be maintained in a safe, neat and clean condition.

3. All trash, refuse and waste materials shall be regularly removed from the premises of each Occupant of the Retail/Arena Project, and until removal shall be stored (a) in adequate containers, which shall be located so as not to be visible to the general public shopping in the Retail/Arena Project, and (b) so as not to constitute any health or fire hazard or nuisance to any Occupant.

4. No portion of the Retail/Arena Project shall be used for lodging purposes.

5. Neither sidewalks nor walkways in the Plaza Area west of 5th Street shall be used to display, store or replace any merchandise, equipment or devices.

6. Without Macy's approval, no device or advertising medium shall be utilized in the Plaza Area west of 5th Street which can be heard or experienced outside of the Floor Area, including, without limiting the generality of the foregoing, flashing lights, searchlights, loudspeakers, phonographs, radios or television.

7. No use shall be made of the Retail/Arena Project or any portion or portions thereof which would (a) violate any law, ordinance or regulation, (b) constitute a nuisance, (c) constitute a hazardous use, or (d) violate, suspend or void any policy or policies of insurance on the Buildings.

8. Developer shall use diligent efforts to require Occupants of the Developer Tract to cause all trucks servicing the retail facilities of the Developer Tract to load and unload prior to the opening for business of the Retail/Arena Project to the general public.

C. Conduct of Persons.

The Parties hereby establish the following rules and regulations for the use of the Plaza Area and other common facilities provided for the use by Permittees:

1. No Person shall use the Plaza Area, except as a means of egress from or ingress to any Floor Area or adjacent public streets or public parking or such other uses as may be approved by Macy's, except as set forth in Section 4.4 of the COMA. Such use shall be in an orderly manner and in accordance with directional or other signs or guides

2. No Person shall use any utility area, truck court or other area reserved for use in connection with the conduct of business, except for the specific purpose for which permission to use such area is given.

3. Unless and to the extent the following prohibitions are forbidden by law or any Party is subject to a court order forbidding the following prohibitions, and except for permitted pushcarts and kiosks or as may be typical in conjunction with the operation of an NBA Sports Arena or as otherwise permitted pursuant to the COMA, no Person, without the consent of Macy, shall in or on any part of the Plaza Area west of 5th Street:

(a) Vend, peddle or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever;

(b) Exhibit any sign, placard, banner, notice or other written material;

(c) Distribute any circular, booklet, handbill, placard or other material;

(d) Solicit membership in any organization, group or association or contribution for any purpose;

(e) Parade, rally, patrol, picket or demonstrate; or engage in any conduct that might tend to interfere with or impede the use of the Plaza Area by any Permittee, create a disturbance, attract attention or harass, annoy, disparage or be detrimental to the interest of any of the retail establishments within the Retail/Arena Project;

(f) Use of the Plaza Area for any purpose when none of the retail establishments within the Retail/Arena Project are open for business or employment;

(g) Throw, discard or deposit any paper, glass or extraneous matter of any kind, except in designated receptacles, or create litter or hazards of any kind;

(h) Use any sound-making device of any kind or create or produce in any manner noise or sound that is annoying, unpleasant, or distasteful to Occupants or Permittees; or

(i) Deface, damage or demolish any sign, light standard or fixture, landscaping material or other improvement within the Retail/Arena Project, or the property of customers, business invitees or employees situated within the Retail/Arena Project.

The listing of specific prohibited items is not intended to be exclusive, but to indicate in general the manner in which the right to use the Plaza Area solely as a means of access (including access to adjacent public streets and public parking) and convenience in shopping at the retail establishments in the Retail/Arena Project, except as set forth in the COMA, is limited and controlled by the Parties in the Retail/Arena Project.

Any Party shall have the right to remove, exclude from or restrain (including the commencement of legal action against) any unauthorized Person from or from coming upon the Retail/Arena Project or any portion thereof, and prohibit, abate and recover damages arising from any unauthorized act, whether or not such act is in express violation of the prohibitions listed above. In so acting, such Party is not the agent of any other Parties or Occupants of the Retail/Arena Project, unless expressly authorized or directed to do so by such Parties or Occupants in writing. Unless so expressly authorized or directed, said Party shall Indemnify and hold the other Parties or Occupants harmless from the results of such Party's activities as set forth above.

EXHIBIT E

PLAZA AREA DESIGN CRITERIA

I. DEVELOPER'S RESPONSIBILITIES.

In connection with all Plaza Area improvement work, the Developer shall, unless otherwise specified herein or in other agreements with the Majors, perform or cause the performance of the following functions in accordance with and as required by these Plaza Area Design Criteria:

- A. Prepare and distribute all drawings and specifications, reports and schedules.
- B. Coordinate all planning, design, installation and construction work.
- C. Obtain all required governmental approvals, permits and certifications and Certificates of Occupancy.
- D. Install and construct all Court and Plaza Area improvements.
- E. Furnish all services, labor, material and equipment.
- F. Responsibility for all assessments, zoning, impact, environmental, connection and development fees, contributions-in-aid, sewer, water and other utility connection fees, improvement and capacity fees and other charges.

II. GENERAL PROVISIONS.

- A. Drawings and specifications, reports and schedules shall be subject to the approval of Macy's, as set forth herein (subject to the limitation on such approval rights set forth in the COMA).
- B. Developer shall furnish to Macy's one (1) reproducible transparency of all drawings and schedules, four (4) copies of all specifications and reports and all revisions thereto requiring approval of Macy's.
- C. All drawings shall be preferably at a scale of one inch (1") equals 50 feet (50'), but in no event smaller than one inch (1") equals 100 feet (100').
- D. All drawings shall show buildings, structures and sidewalks and shall be overlaid on a base grid system.
- E. All work (including planning, design, labor, material, equipment, installation, construction and services) shall not be in violation of applicable federal, state, municipal and other governmental requirements, including zoning, planning, environmental, labor, health, safety, accessibility, highway, fire and building laws, codes, ordinances, rules, regulations and directives.
- F. Developer warrants all services, work, material and equipment furnished by or on behalf of Developer for a period of at least two (2) year following completion of all Developer work related to the Macy's building.

G. Developer shall not, without MACY'S prior written consent, accept (through agreement, application, permit or otherwise) the imposition of any condition or fee (not otherwise then existing by code, ordinance or tariff) by any governmental authority or utility provider which would affect MACY'S usual store design, signing, construction, operation or costs. Additionally, if the MACY'S building is placed into a higher fire safety building classification requiring more extensive fire safety measures because of the Developer's design and/or construction of the Court or Plaza Area, or because of any agreement, application, permit or otherwise between the Developer and a governmental authority or other entity, Developer shall be responsible for the incremental costs and expenses of constructing the fire rated wall(s) between the MACY'S building and the Shopping Center building and/or any other incremental costs and/or expenses related to the Developer's design, construction or agreement with others.

III. LISTS OF DRAWINGS AND SPECIFICATIONS, REPORTS, CERTIFICATIONS AND SCHEDULES.

The following items shall be prepared in accordance with the requirements of these Plaza Area Design Criteria:

A. Drawings and Specifications.

1. Boundary survey of the Center.
2. Permanent utilities drawings.
3. Landscaping and irrigation drawings.
4. Developer Retail/Arena Project Improvements drawings.
5. Site lighting drawings

B. Reports.

1. Hydrological (Flood) Map.
2. Reports required by governing authorities.

C. Certifications.

1. Court and Plaza Area improvements certification of completion.

IV. GENERAL CONTENT REQUIREMENTS FOR DRAWINGS AND SPECIFICATIONS, REPORTS, CERTIFICATIONS AND SCHEDULES.

A. A boundary survey of the Center (including a complete metes and bounds description of the Center and of the parcels of each Party) shall be prepared in accordance with the requirements of the ALTA standards and include as a minimum the following detail information in accordance with these minimum requirements.

1. All angles and bearings shall be to the nearest 1 second and all distances to .01 feet, with minimum error of closure at 1:10,000.

2. One magnetic bearing shall be shown on the survey, and if an adopted bearing is used for field work, the adopted line shall be shown.

3. All boundaries shall be tied to known or record monuments with property corners referenced or offset points, if possible. On curved boundary lines, the arc lengths, deltas and radii shall be noted.

4. All monument shall be identified "found," "set" or "reset" and described (e.g., "iron pipe"). In any event, an iron or concrete monument is to be placed at each property corner.

5. All adjacent streets and major streets, highways, ramps and access roads in the area shall be identified, and any private streets shall be so noted. The record width of each street shall be placed adjacent to the street name, and any restrictions on access to the Center shall be noted.

6. All record easements (including utilities) shall be indicated with dimensions, bearings, their purposes, to whom granted and all restrictions posed by the easements, and each easement shall be referenced to the corresponding deed, book and page of recording.

7. All known above-grade and below-grade encroachments across property lines shall be indicated and located dimensionally from property lines.

8. Existing zones, as established by zoning authorities, shall be shown.

B. Permanent utilities drawings with reference to location, elevations, size and type of material for storm drainage, sanitary sewers, water (fire and domestic), natural gas, electric distribution, telephone and cable television.

C. Garage and site lighting drawings, including locations of fixtures, circuiting, security lighting, pole and luminaire catalogue cuts, luminaire assembly, isolux curves, computer printout and any other information needed to evaluate the lighting drawings.

D. Landscaping and irrigation drawings, including location, size, type and material of irrigation systems and plants (including catalogue cuts for trees and shrubs), all of which shall be provided and installed by Developer.

E. Hydrological (Flood) Map prepared by a registered civil engineer which shall be submitted to Macy prior to the start of the design of each Party's store.

F. A traffic study report prepared by a licensed traffic engineer experienced in the regional shopping center industry.

G. All required governmental reports, including environmental impact reports, if required. Said reports shall be submitted for informational purposes only.

H. Plaza Area improvement certification: A certificate from the Project Architect, following final inspection by the Project Architect, certifying that all Plaza Area improvement work has been completed and conforms to plans and specifications shall be issued to Macy.

I. A master schedule prepared and periodically updated by Developer including the start and completion dates of each planning, design, installation and construction element and the dates on which each temporary and permanent utility service will be available to each Party. Developer shall coordinate such schedules with the schedules for each Party's store construction and with the requirements of these Plaza Area Design Criteria.

J. Shopping Center Drawings, including exterior drawings and specifications (whether open-air, covered or enclosed), including ornamental structures, landscaping, finishes, lighting, fire protection systems and methods of attachment (if any) to the MACY'S building. Developer shall provide, for MACY'S review, a sample board of all proposed finishes for the Court .

V. COURT AND PLAZA AREA.

Developer shall, in the planning, design and construction of the Court and Plaza Area and Buildings adjacent thereto, comply with the following items:

A. Macy's shall have the right to review and comment on all interior and exterior drawings and specifications for all Plaza Area and the exteriors of the Developer Retail Buildings including ornamental structures, landscaping, finishes, lighting, fire protection systems, it being understood that Macy shall have the exclusive right of approval over the drawings for its Plaza Area Court. All fire protection systems for the mall, mall buildings, tenant spaces and/or buildings and all other improvements of Developer in the Shopping Center shall be provided and maintained in accordance with the standards of the most recent edition of the National Fire Protection Association (NFPA) Standards 13, 14, 20, and 24, or other nationally recognized standards agreeable to MACY'S, in addition to all other applicable requirements as determined by MACY'S insurance underwriters and/or by governmental authorities. In addition, all systems and components shall be Underwriters Laboratories (UL) listed, Factory Mutual (FM) approved and meet MACY'S insurance underwriters' requirements and recommendations for a highly protected risk classification.

B. Each Major shall have the right, subject to approval by Developer of location, fixture and fixture shielding, to install lights in the main ceiling at its court to illuminate the facade and entrance.

C. Developer shall design and install continuous expansion joints (and/or seismic joints) through the mall, promenade or retail building connection with the MACY'S building in compliance with ADAAG and State and local provisions governing accessible routes; Developer shall furnish and install all expansion/seismic joint devices (or portions thereof) which are required to be installed integrally with the MACY'S building. Developer must maintain and guarantee the waterproof integrity of the expansion joints. The design of such joints shall be subject to approval by MACY'S.

D. Developer shall construct the mall and mall buildings to provide, adjacent to the MACY'S building, if required by MACY'S, enclosed fire exit corridors and/or stairs sized to accommodate persons leaving the MACY'S building through fire exits opening onto such corridors. Developer shall provide such corridors/stairs on all levels to egress locations designated by

MACY'S. Such corridors/stairs shall be completed and a certificate of occupancy therefore received at least thirty (30) days prior to the scheduled opening of the building

E. Where adjacency of the mall, promenade or retail buildings to the MACY'S building requires rated wall construction between the two by governing authorities or insurance underwriters, Developer shall provide the additional rating or reimburse MACY'S to provide said rating, at MACY'S option Developer shall provide sprinkler protection in the Court and Plaza Area if required by code.

F. Where each Major's Building intersects the Plaza Area, Developer shall cause the elevation of the finished floor lines of the Plaza Area to coincide with the elevation of the finished floor of said Major's Building.

G. Developer may locate mall support columns at MACY'S side return walls if they do not bear on MACY'S foundations, do not introduce any vertical, horizontal or seismic load on the MACY'S building, do not reduce the opening width of MACY'S entrances do not interfere with MACY'S signing, can be concealed within the finish facing materials on such return walls as designed by MACY'S, and are otherwise approved by MACY'S. MACY'S shall have the right to extend the finish facing materials into the MACY'S Courts, to install MACY'S illuminated signs thereon and to support such finishes and signs on the structure when said finishes or signs occur on the mall side of the expansion joint. Developer shall provide and install all finishes above and/or on each side of the MACY'S mall entrance.

H. Maintained horizontal illuminance for general parking and pedestrian areas shall be two (2.0) foot-candle minimum measured two (2) feet above grade level; the average to minimum ratio shall be no greater than four to one (4:1) and the maximum to minimum ratio shall be no greater than ten to one (10:1). Maintained horizontal illuminance for building perimeter and sidewalk areas, service areas and ring/access roads shall be two (2) foot-candles average measured two (2) feet above grade level; the average to minimum ratio shall be no greater than three to one (3:1) and the maximum to minimum ratio shall be no greater than ten to one (10:1). Lighting levels throughout the exterior common areas of the Shopping Center shall be so designed as to present a unified and harmonious development.

I. Security lighting shall be provided throughout the parking, parking garage and pedestrian areas at twenty five percent (25%) of the minimum general parking area lighting levels.

J. Parking structure lighting shall be provided with a maintained horizontal illuminance measured two (2) feet above grade or slab level; for all covered levels of the deck shall be as follows (foot-candle levels for day are the sum of electric lighting and daylight):

a. General parking and pedestrian areas: five (5) foot-candles average for day and night; the average to minimum ratio shall be no greater than four to one (4:1) and the maximum to minimum ratio shall be no greater than ten to one (10:1).

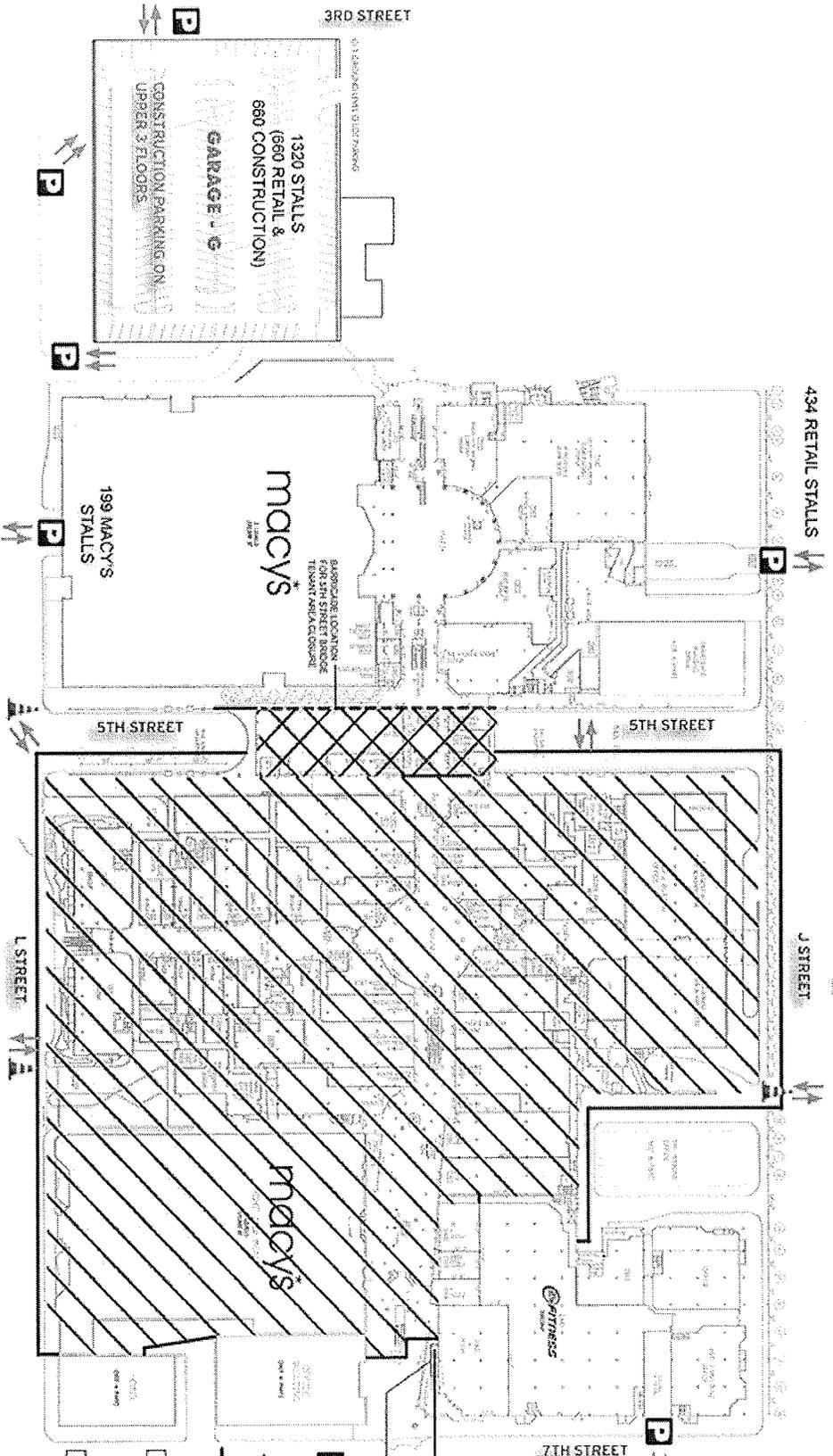
b. Ramps, corners, and vehicle entrance/exit areas: ten (10) foot-candles average for day and five (5) foot candles average for night; the average to minimum ratio shall be no greater than four to one (4:1) and the maximum to minimum ratio shall be no greater than ten to one (10:1).

c. Entrance areas: fifty (50) foot-candles average on pavement for day and five (5) foot-candles average for night; the average to minimum ratio shall be no greater than four to one (4:1) and the maximum to minimum ratio shall be no greater than ten to one (10:1).

Lighting levels on uncovered portions of the deck shall be such that the lighting requirements for open parking lots shall be achieved.

EXHIBIT F

[see attached]

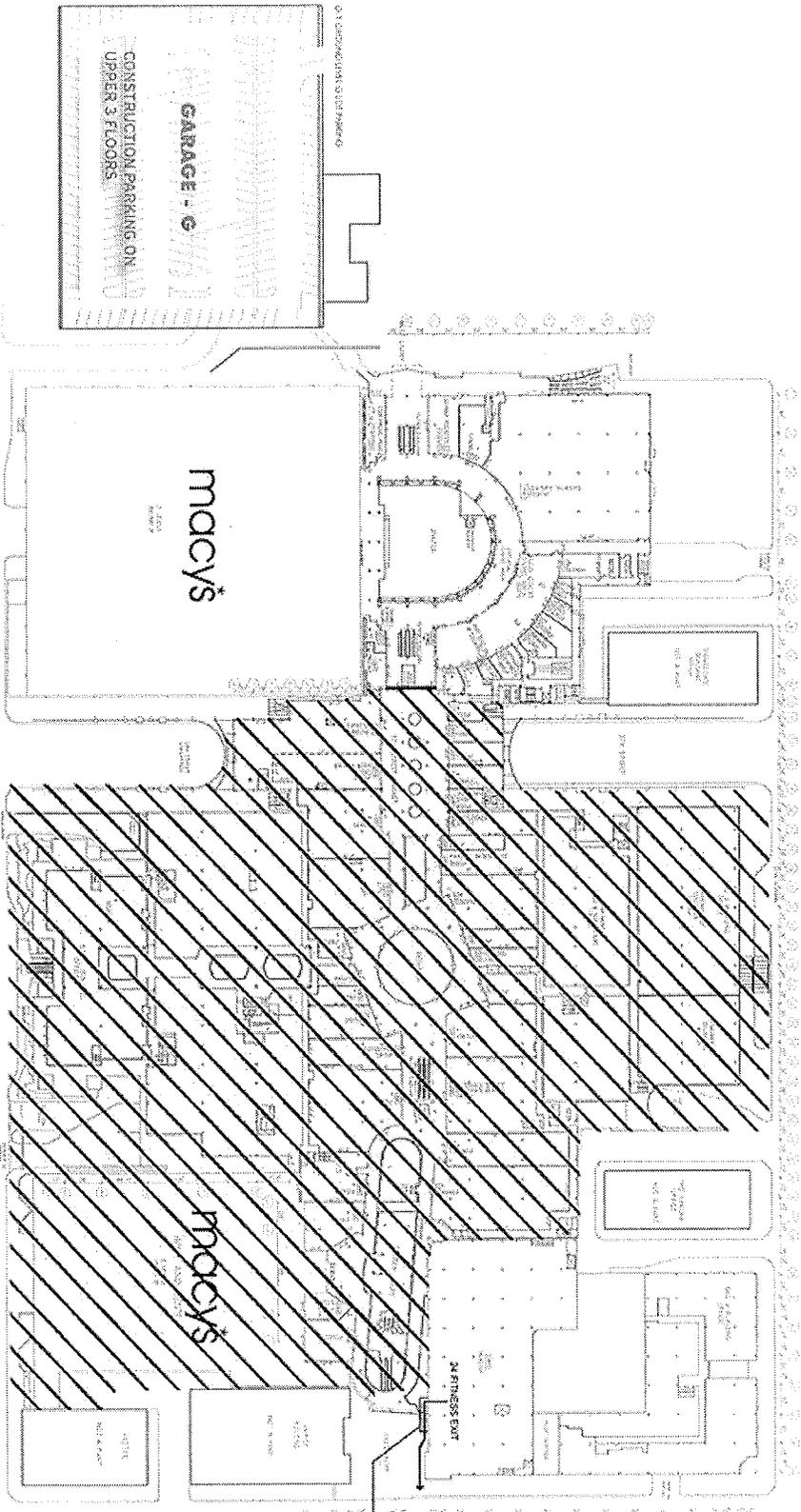


- PARKING ENTRY / EXIT
- CONSTRUCTION ENTRY / EXIT
- CONSTRUCTION BARRICADES (PHASE 1)
- DEMOLITION & CONSTRUCTION AREA
MAY 2014 - OCTOBER 2016
- 5TH STREET BRIDGE TENANT AREA CLOSURE
AUGUST 2014 - OCTOBER 2016



C.W. Driver
BUILDERS SINCE 1919

LEVEL 1 DEMOLITION PLAN - PHASE 1
JUNE 2014 TO APRIL 2015



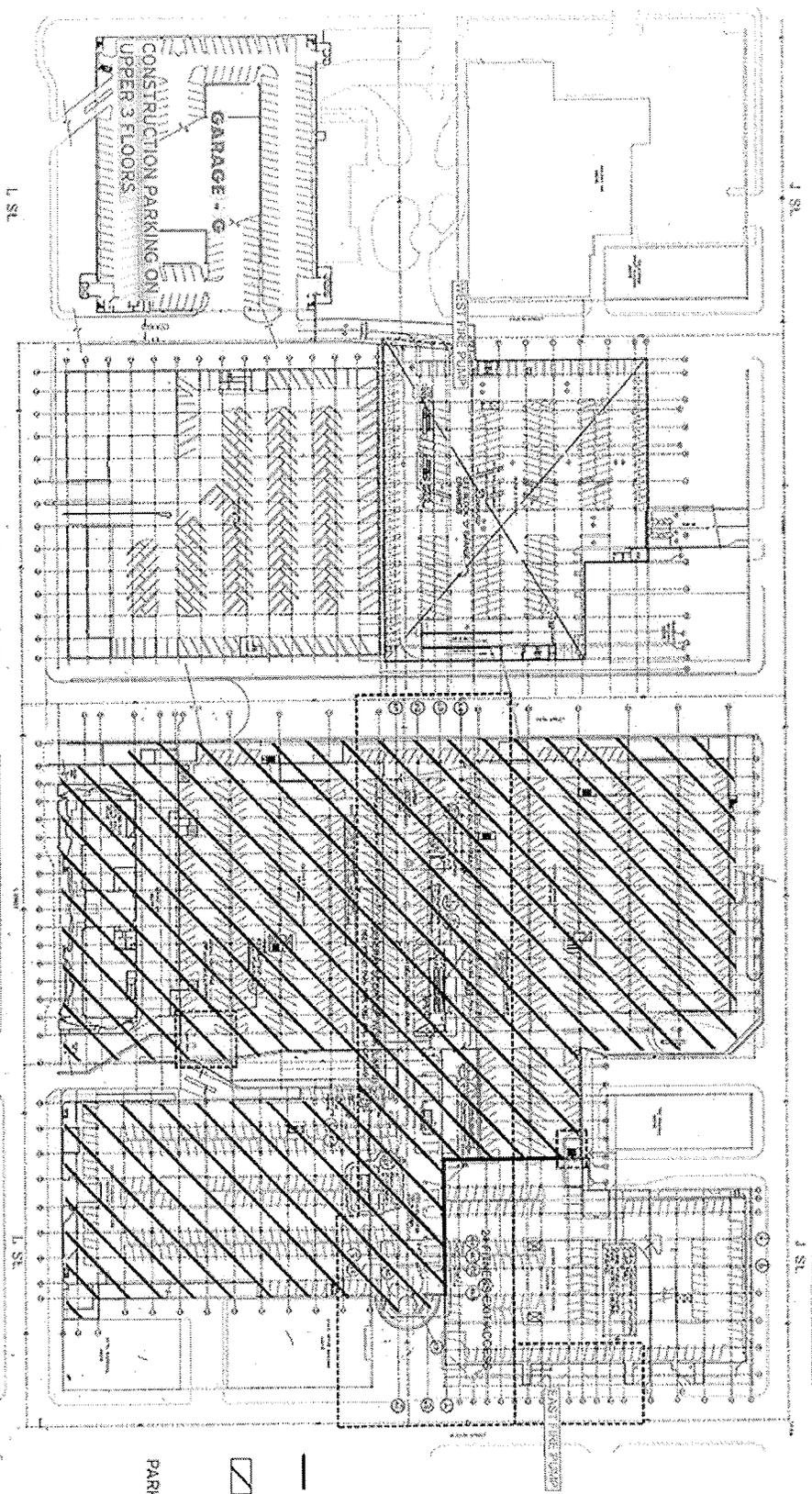
— BARRICADES

▨ DEMOLITION & CONSTRUCTION AREA
MAY 2014 - OCTOBER 2016



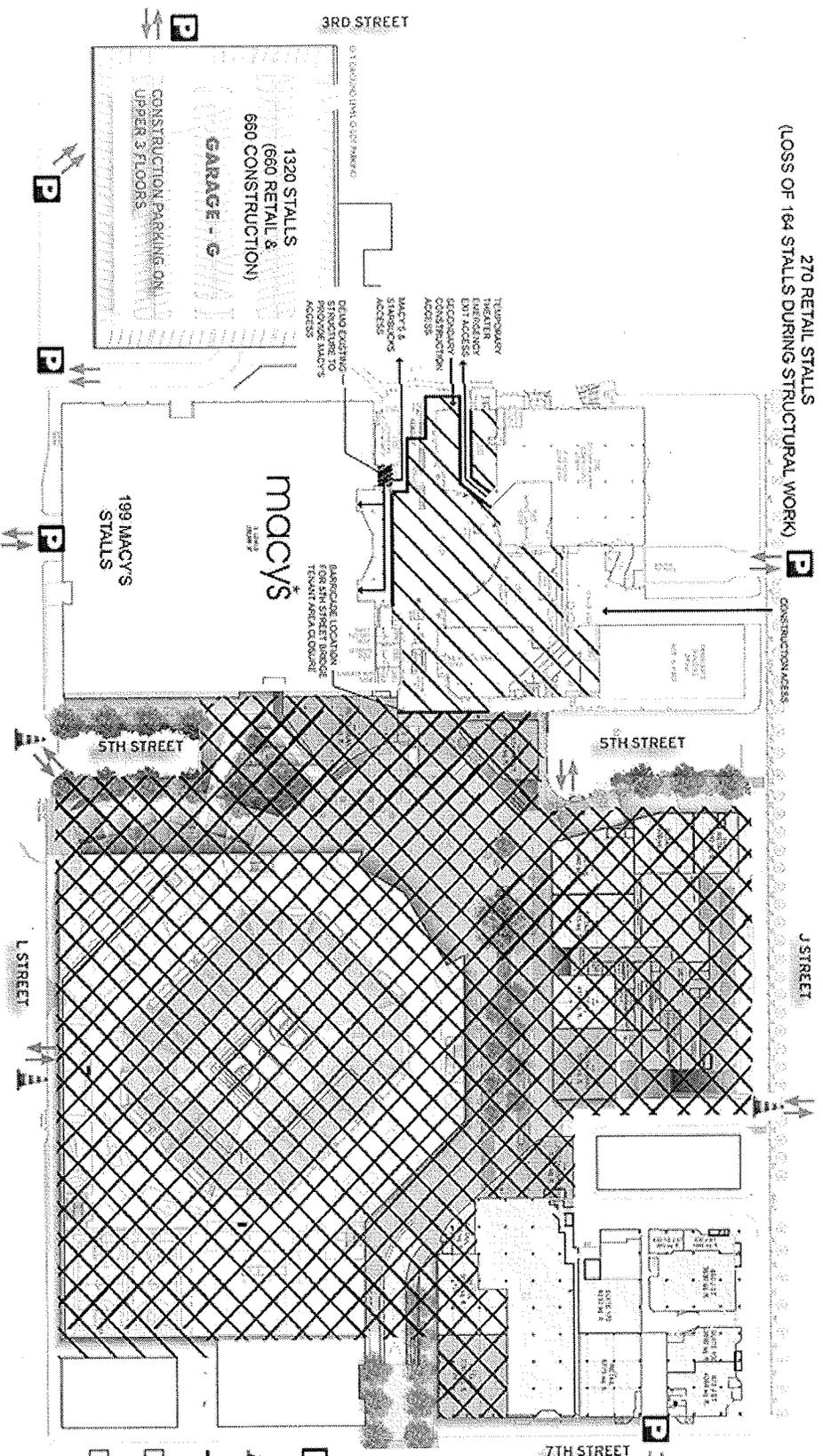
C.W. Driver
BUILDERS SINCE 1919

LEVEL 2 DEMOLITION PLAN - PHASE 1
JUNE 2014 TO APRIL 2015



- CONSTRUCTION BARRICADES (PHASE 1)
- ▨ DEMOLITION & CONSTRUCTION AREA
MAY 2014 - OCTOBER 2016
- PARKING ENTRY / EXIT

JMA VENTURES BUILDERS SINCE 1919
C.W. Driver LEVEL P1 & P2 DEMOLITION PLAN - PHASE 1
 JUNE 2014 TO APRIL 2015



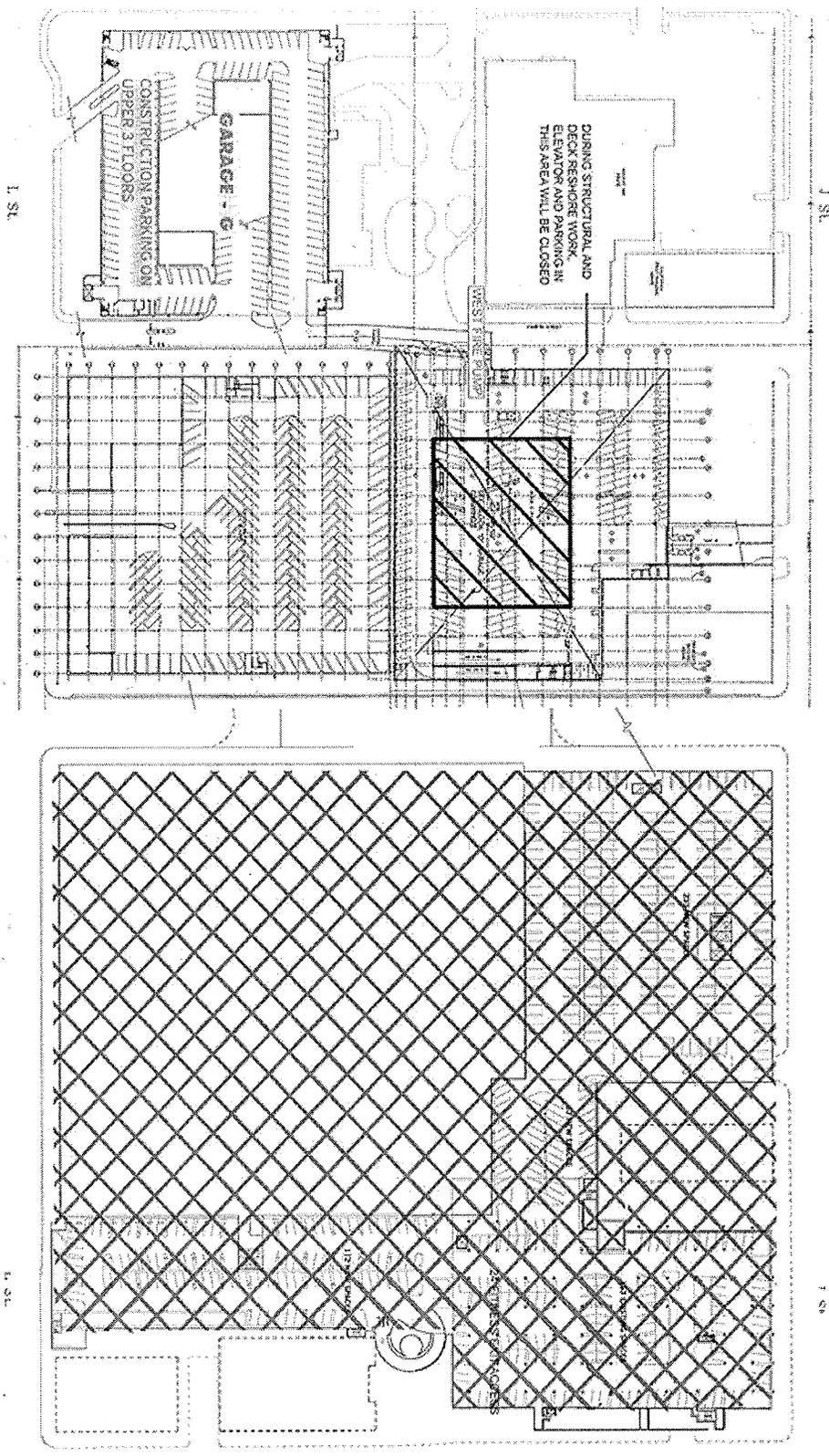
270 RETAIL STALLS
(LOSS OF 164 STALLS DURING STRUCTURAL WORK)

JMA VENTURES
C.W. Driver
BUILDERS SINCE 1919

LEVEL 1 DEMOLITION PLAN - PHASE 2

APRIL 2015 TO OCTOBER 2015

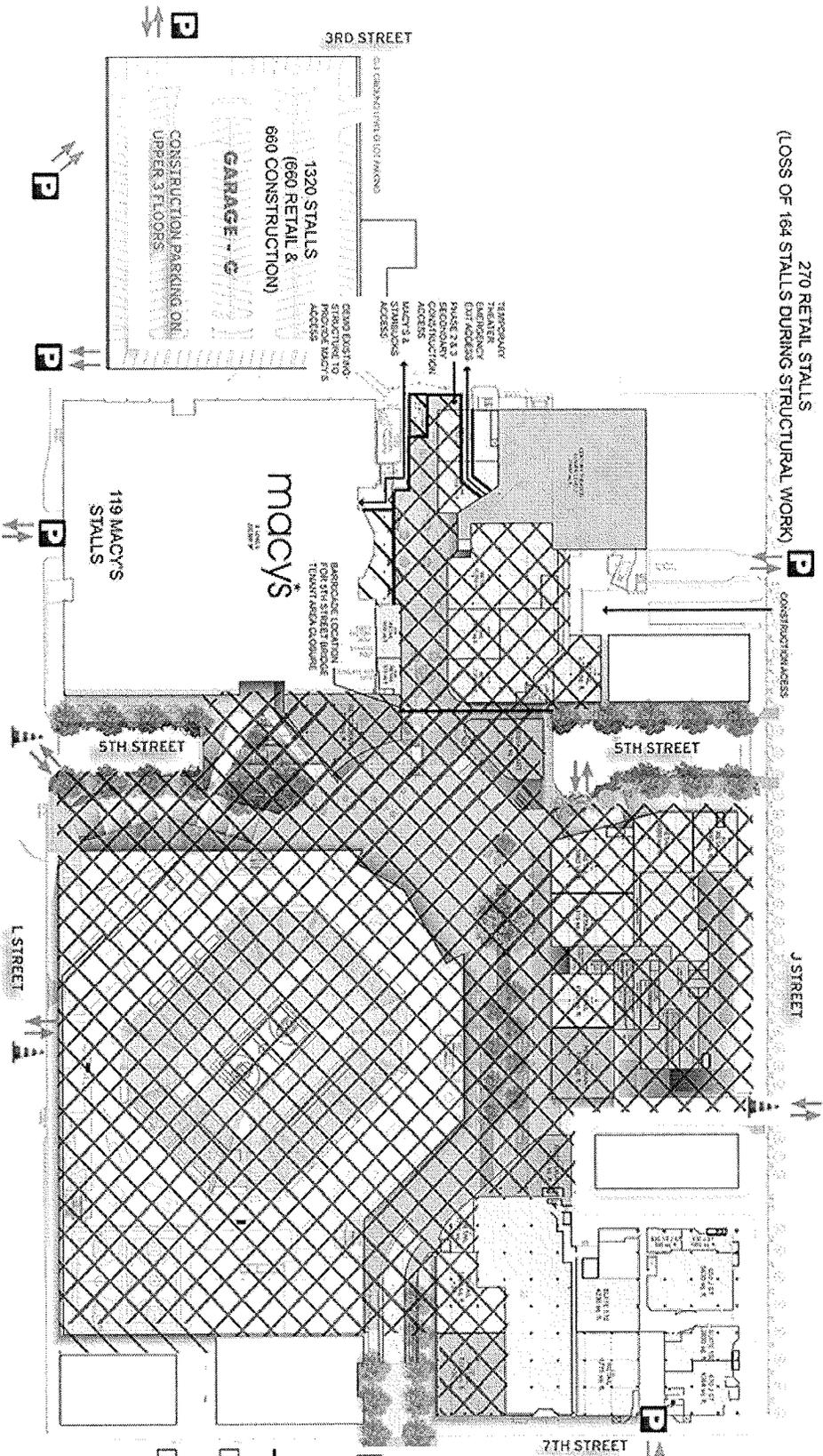
- PARKING ENTRY / EXIT
- CONSTRUCTION ENTRY / EXIT
- BARRICADES
- AREA CURRENTLY UNDER CONSTRUCTION
- PHASE 2 WEST PLAZA CONSTRUCTION AREA APRIL 2015 - JUNE 2016



- BARRICADES
- ▣ AREA CURRENTLY UNDER CONSTRUCTION
- ▤ PHASE 2 CONSTRUCTION AREA
APRIL 2015 - JUNE 2015

JMA VENTURES
C.W. Driver
 BUILDERS SINCE 1919

LEVEL P1 & P2 DEMOLITION PLAN - PHASE 2
 APRIL 2015 TO OCTOBER 2015



- PARKING ENTRY / EXIT
- CONSTRUCTION ENTRY / EXIT
- BARRICADES
- AREA CURRENTLY UNDER CONSTRUCTION
- PHASE 3 WEST PLAZA CONSTRUCTION AREA OCTOBER 2015 - JUNE 2016



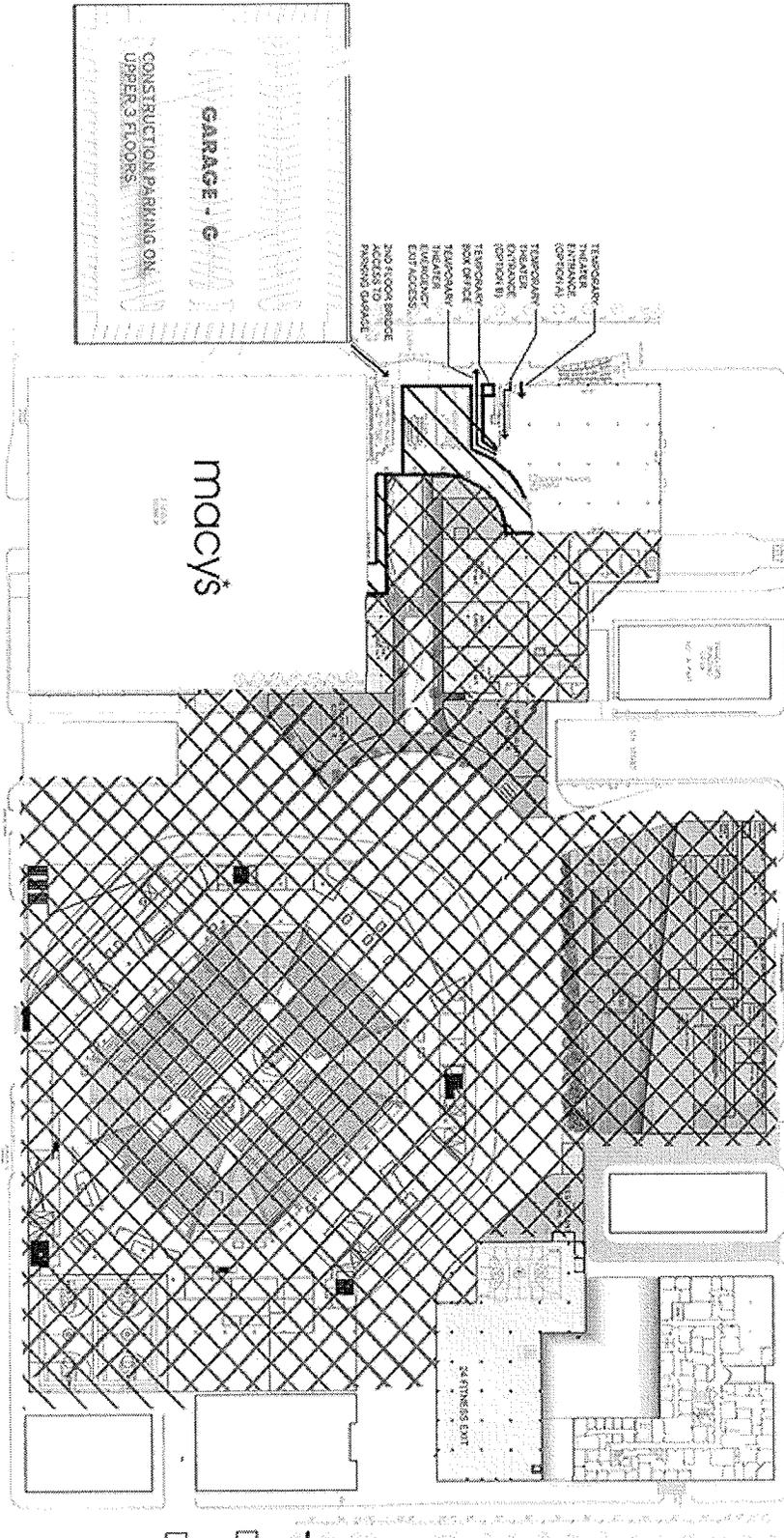
C.W. Driver
BUILDERS SINCE 1919

LEVEL 1 DEMOLITION PLAN - PHASE 3
OCTOBER 2015 TO JAN 2016

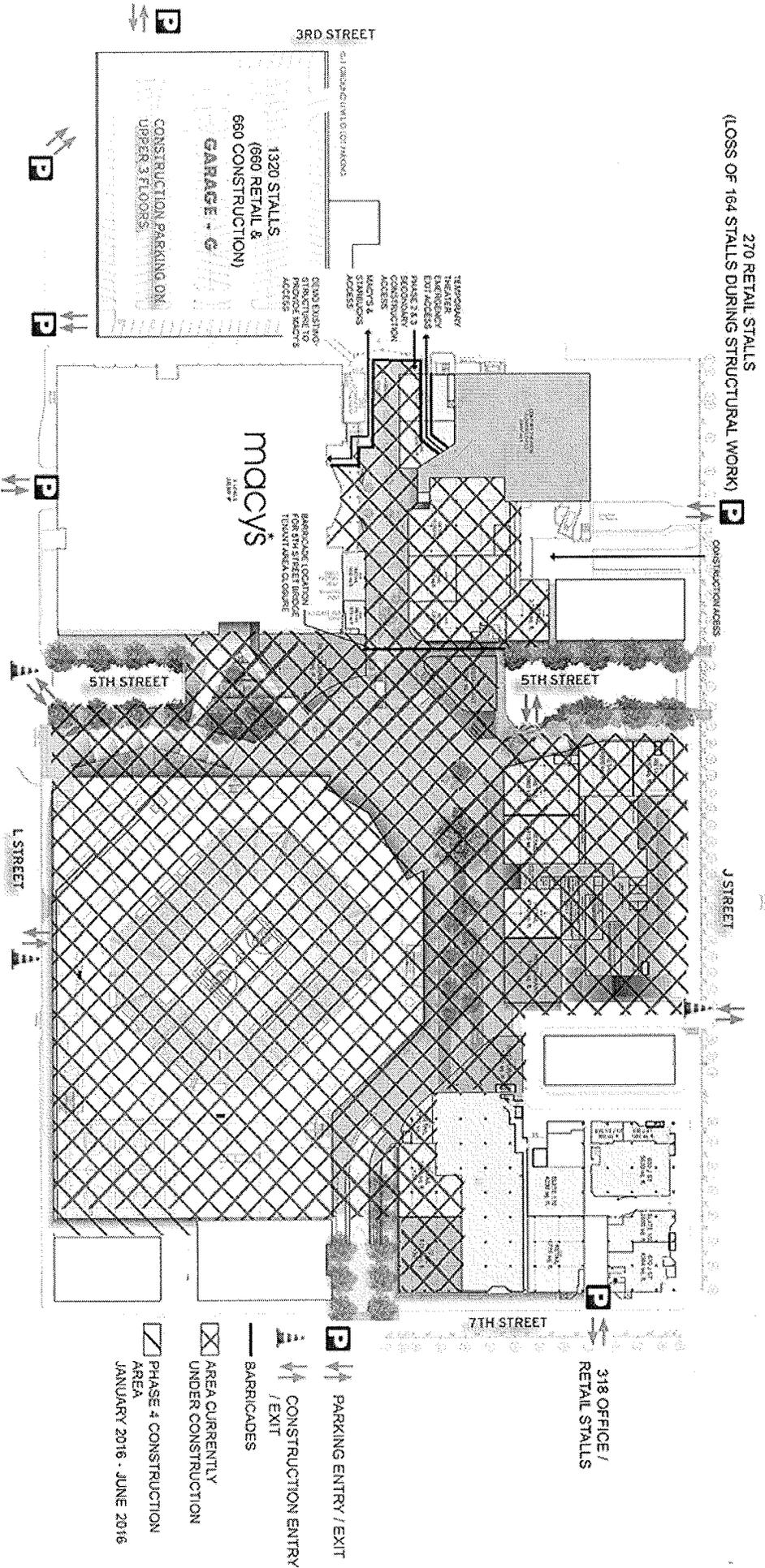
COMA EXHIBIT F (PAGE 7 OF 12)

LEVEL 2 DEMOLITION PLAN - PHASE 3
 OCTOBER 2015 TO JAN 2016

COMA EXHIBIT F (PAGE 8 OF 12)



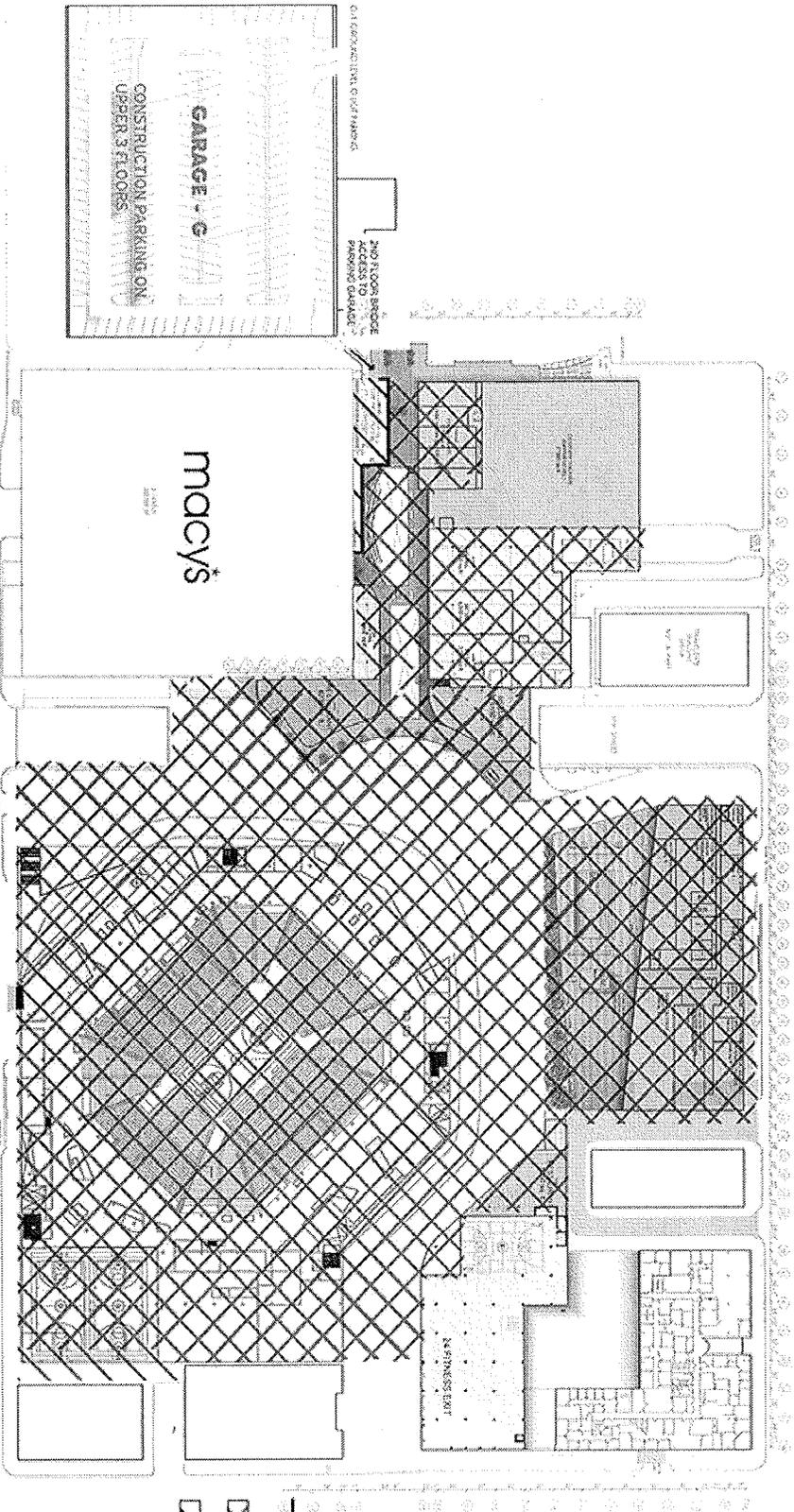
- C.W. DRIVER BARRICADES (PHASE 3)
- ▨ AREA CURRENTLY UNDER CONSTRUCTION
- ▧ PHASE 3 CONSTRUCTION AREA
OCTOBER 2015 - JUNE 2016



C.W. Driver
BUILDERS SINCE 1919

LEVEL 1 DEMOLITION PLAN - PHASE 4
JAN 2016 TO JUNE 2016

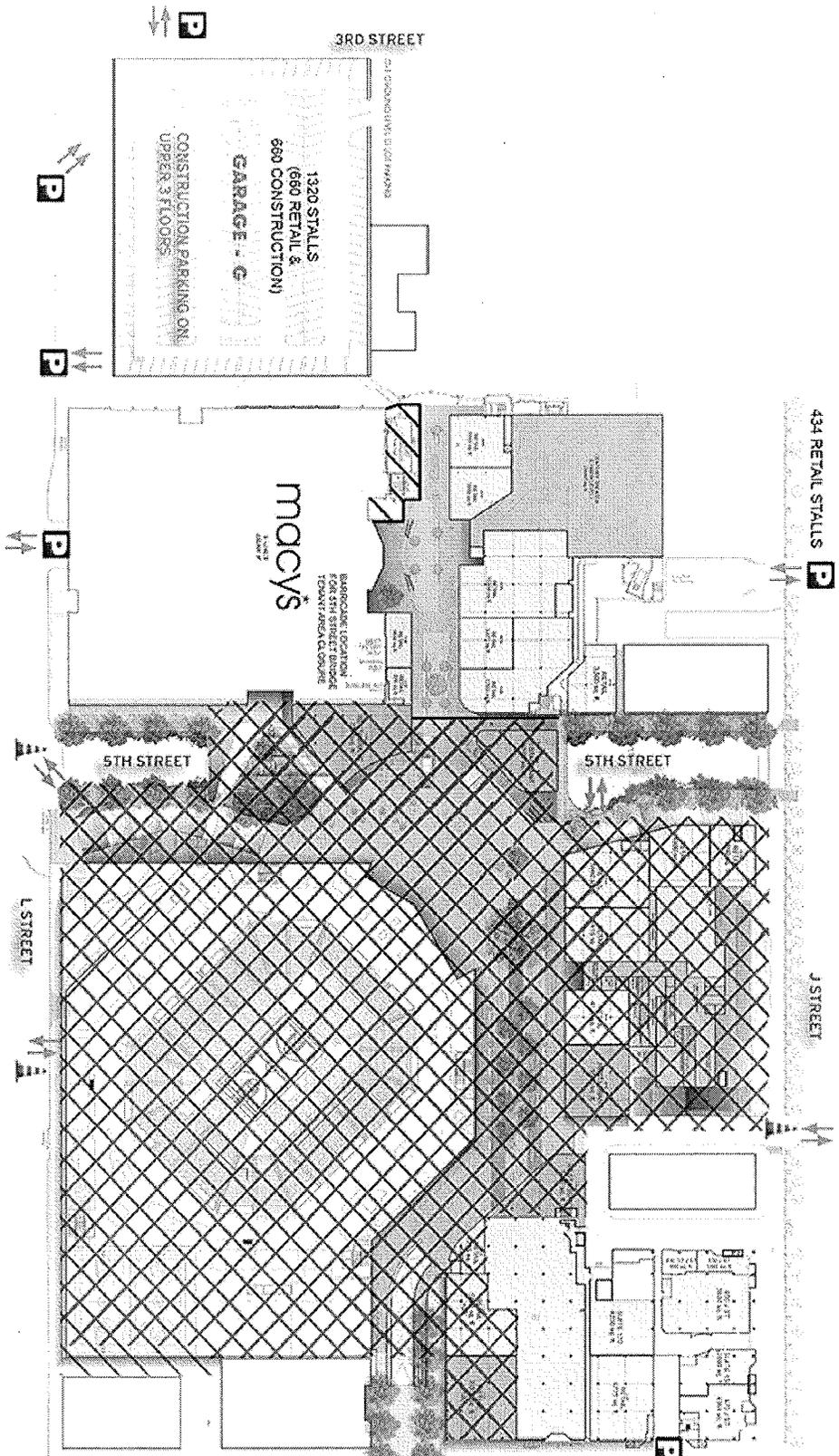
COMA EXHIBIT F (PAGE 9 OF 12)




JMA VENTURES
C.W. Driver
 BUILDERS SINCE 1919

LEVEL 2 DEMOLITION PLAN - PHASE 4
 JAN 2016 TO JUNE 2016

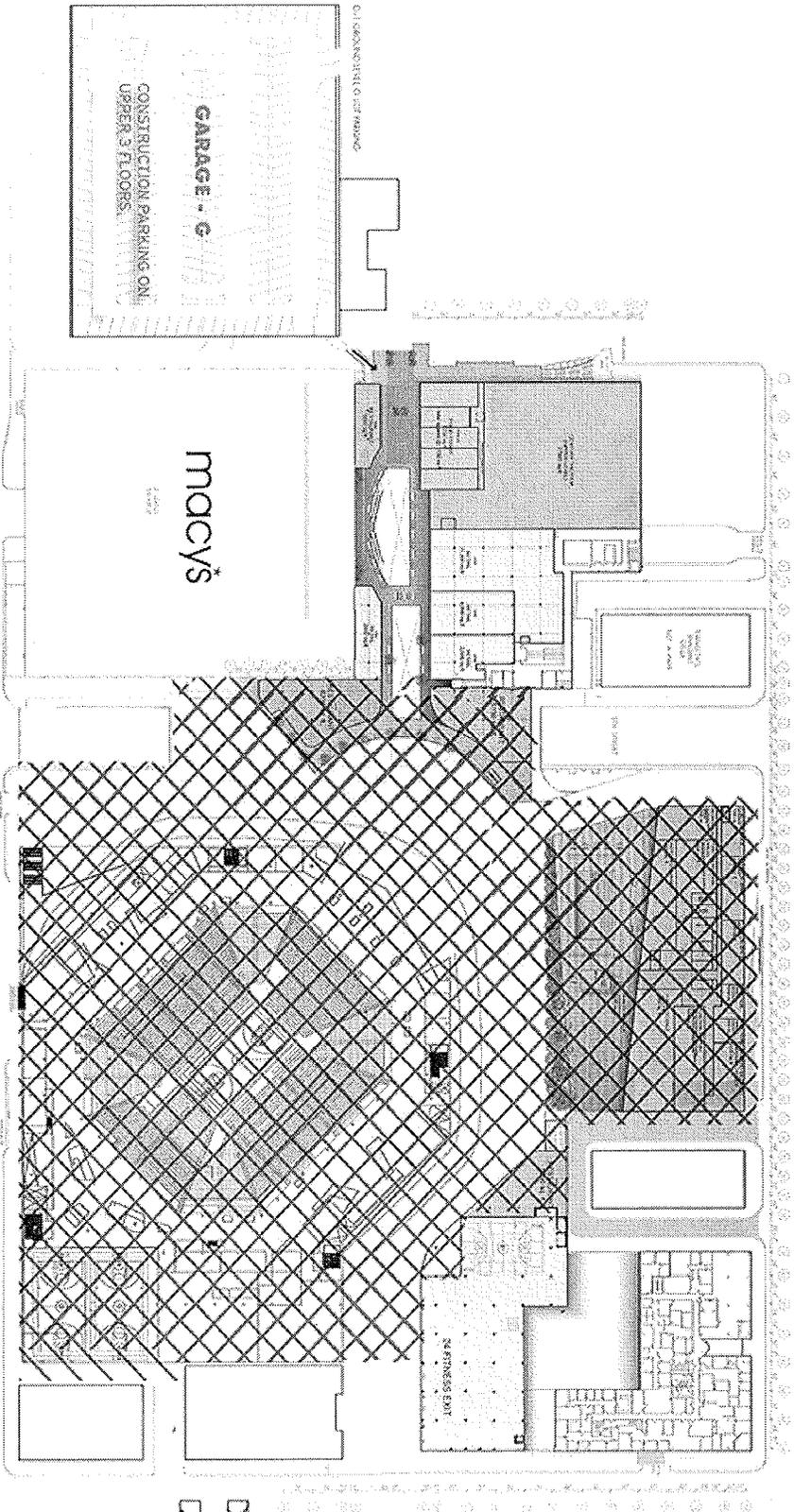
COMA EXHIBIT F (PAGE 10 OF 12)



- PARKING ENTRY / EXIT
- CONSTRUCTION ENTRY / EXIT
- AREA CURRENTLY UNDER CONSTRUCTION
- PHASE 5 WEST PLAZA JUNE 2016 - AUGUST 2016


C.W. Driver
 BUILDERS SINCE 1919
 LEVEL 1 DEMOLITION PLAN - PHASE 5
 JUNE 2016 TO OCTOBER 2016

COMA EXHIBIT F (PAGE 11 OF 12)



BARRICADES

- AREA CURRENTLY UNDER CONSTRUCTION
- PHASE 5 WEST PLAZA JUNE 2016 - AUGUST 2016

[BACK](#)

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Pircher, Nichols & Meeks
1925 Century Park East, Suite 1700
Los Angeles, California 90067-2512

Attn: Real Estate Notices (SAH)

(Space above for Recorder's use only)

AMENDED AND RESTATED PARKING OPERATION
AND MAINTENANCE AGREEMENT

SACRAMENTO GARDENS
(Sacramento, California)

by and among

SG DOWNTOWN LLC,
a Delaware limited liability company;

MACY'S WEST STORES, INC.,
an Ohio corporation;

SACRAMENTO DOWNTOWN ARENA LLC,
a Delaware limited liability company

and

THE CITY OF SACRAMENTO,
a municipal corporation of the State of California

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1 USE.....	3
Section 1.1 Use and Operation	3
Section 1.2 Covenant of Parking Availability	3
Section 1.3 Obstructions.....	3
Section 1.4 Number and Layout of Automobile Parking Spaces	4
ARTICLE 2 OPERATION OF GARAGES.....	4
Section 2.1 Effectiveness of Agreement.....	4
Section 2.2 Operation Standards.....	4
Section 2.3 Garages K and U Escalators and Shared Elevators	5
Section 2.4 Minimum Hours of Operation	6
Section 2.5 Transfer of Operation Duties.....	7
Section 2.6 Operational Default	7
ARTICLE 3 PARKING FEES AND VALIDATIONS.....	8
Section 3.1 Parking Rates	8
Section 3.2 Validation Payments.....	8
Section 3.3 Revisions to Parking Operation Plan.....	9
ARTICLE 4 SECURITY	9
ARTICLE 5 ALTERATIONS.....	9
ARTICLE 6 RULES AND REGULATIONS	9
ARTICLE 7 TRANSIT PROGRAM.....	10
ARTICLE 8 INDEMNIFICATION AND COMMERCIAL GENERAL LIABILITY INSURANCE	10
Section 8.1 Indemnity	10
Section 8.2 Operator’s Commercial General Liability Insurance	10

Section 8.3	Blanket Insurance and Self-Insurance	11
Section 8.4	General.....	11
ARTICLE 9 PROPERTY INSURANCE		12
Section 9.1	Property Insurance	12
Section 9.2	Blanket Insurance and Self-Insurance	12
Section 9.3	Mutual Release; Waiver of Subrogation.....	12
Section 9.4	Certificate of Insurance.....	13
Section 9.5	Application of Proceeds.....	13
Section 9.6	General.....	13
ARTICLE 10 RESTORATION.....		13
Section 10.1	Restoration of Improvements	13
Section 10.2	Restoration of Garages	14
Section 10.3	Standards of Construction.....	15
Section 10.4	Licenses for Restoration	16
Section 10.5	Liability of Involuntary Transferee	16
Section 10.6	Restoration of Garages by Operator	17
Section 10.7	Mechanics' Liens.....	17
ARTICLE 11 CONDEMNATION.....		17
Section 11.1	Complete Taking; Waiver.....	17
Section 11.2	Partial Taking.....	17
Section 11.3	Award	18
ARTICLE 12 TERMINATION OF AGREEMENT		18
ARTICLE 13 INTENTIONALLY OMITTED		18
ARTICLE 14 NOTICES.....		18
Section 14.1	Delivery to Parties	18

Section 14.2	Mortgagee Notice	21
ARTICLE 15 AMENDMENT		22
Section 15.1	Method and Effect of Amendment	22
Section 15.2	No Third-Party Beneficiary	22
ARTICLE 16 MISCELLANEOUS		22
Section 16.1	Breach Shall Not Defeat Mortgage.....	22
Section 16.2	Breach Shall Not Permit Termination	22
Section 16.3	Captions	23
Section 16.4	Consents and Approval.....	23
Section 16.5	Exercise of Approval Rights.....	23
Section 16.6	Governing Laws.....	24
Section 16.7	Injunctive Relief	24
Section 16.8	No Partnership	24
Section 16.9	Not a Public Dedication.....	24
Section 16.10	Payment on Default	24
Section 16.11	Severability	25
Section 16.12	Successors.....	25
Section 16.13	Time of Essence.....	25
Section 16.14	Waiver of Default	25
Section 16.15	Rights Cumulative	25
Section 16.16	Counterparts.....	25
Section 16.17	Estoppel Certificates.....	25
Section 16.18	Excuse for Nonperformance	26
Section 16.19	Release	26
Section 16.20	Entire Agreement.....	27

EXHIBIT A LEGAL DESCRIPTIONS
 Part 1 – Developer Property
 Part 2 – Macy Tract
 Part 3 – Arena Co. Tract
 Part 4 – City Tract
 Part 5 – SG Tract

EXHIBIT B SITE PLAN

EXHIBIT C PARKING MANAGEMENT AGREEMENT

EXHIBIT D PARKING OPERATION PLAN

**AMENDED AND RESTATED PARKING OPERATION
AND MAINTENANCE AGREEMENT**

Sacramento Gardens
(Sacramento, California)

THIS AMENDED AND RESTATED PARKING OPERATION AND MAINTENANCE AGREEMENT (“Agreement”) is made and entered into as of the ____ day of _____, 2014, by and among SG DOWNTOWN LLC, a Delaware limited liability company; MACY’S WEST STORES, INC., an Ohio corporation; SACRAMENTO DOWNTOWN ARENA LLC, a Delaware limited liability company and THE CITY OF SACRAMENTO, a municipal corporation of the State of California.

RECITALS:

A. As used in this Agreement, references to any “Recital,” “Article,” “Section” or “Exhibit” are to such portions of this Agreement, all of which together constitute the Agreement. Unless otherwise indicated, all capitalized terms used herein are defined in these Recitals or Article 17.

B. DPA, L.P., a California limited partnership; Macy’s California, Inc. a Delaware corporation, debtor-in-possession (“Former Macy”); Carter Hawley Hale Stores, Inc., a Delaware corporation (“Weinstock’s”), and City are parties to that certain Parking, Operation And Maintenance Agreement dated as of November 30, 1992 and recorded on October 15, 1993 in Book 93 1015, Page 2020 of the Official Records of Sacramento County, California (“Prior POMA”), which governed the parking operations in the Garages prior to the date of this Agreement.

C. DPA assigned all of DPA’s right, title and interest in, to and under the Prior POMA (among other agreements) to Downtown Plaza LLC, a Delaware limited liability Company (“DP”), pursuant to the terms of that certain Assignment of Shopping Center Documents dated as of October 29, 1998, and DP assigned all of DP’s right, title and interest in and to the Prior POMA (among other documents) to Downtown Plaza Sacramento, LLC, a Delaware limited liability company (“DPS”) pursuant to the terms of that certain Assignment and Assumption of REAs dated as of August 14, 2012, and recorded on August 14, 2012 in Book 2012814, Page 1605 of the Official Records of Sacramento County, California. Developer is the successor-in-interest to DPS following Developer’s acquisition of the ownership and possession of all of DPS’s property interests in Sacramento Gardens (as defined in the CEA) and thereby is the successor to any remaining DPA interest in the Prior POMA. Macy is the successor-in-interest to Former Macy. City acquired possession of the parcel previously occupied by Weinstocks (the “Weinstocks Tract”) from State of California Public Employees’ Retirement System and Foster Associates’ successors-in-interest pursuant to a Modified Order for Prejudgment Possession of the Superior Court of the State of California, County of Sacramento, dated March 20, 2014 and anticipates acquiring fee title thereto, and thereby is the successor to any remaining Weinstocks interest in the Prior POMA. Simultaneously herewith, City has acquired ownership from Developer of a tract of land more particularly described or depicted on Exhibit A (Part 5) (the “SG Tract”), which SG

Tract, the Weinstocks Tract and other property currently owned by the City (underground parking that will be removed to accommodate the ESC) collectively constitute the Arena Co. Tract.

D. Developer owns those certain tracts of land described in Exhibit A (Parts 1A and 1B) and ground leases from the City that certain tract of land described in Exhibit A (Part 1C) (the “Developer Ground Lease Tract”), located in the County of Sacramento, State of California, and shown on Exhibit B and hereinafter collectively referred to as the “Developer Property.”

E. Macy owns that certain tract of land located in the County of Sacramento, State of California, described in Exhibit A (Part 2), shown on Exhibit B and hereinafter referred to as the “Macy Tract.” The building currently operated by Macy (the “Macy Building”) is located on the Macy Tract.

F. Arena Co. licenses, occupies and shall lease from City, pursuant to the terms and conditions of that certain Arena Management, Operations, and Lease Agreement, dated as of May 20, 2014 (the “Arena Tract Lease”) that certain tract of land located in the County of Sacramento, State of California, described in Exhibit A (Part 3), shown on Exhibit B and hereinafter referred to as the “Arena Co. Tract.” The building intended to be constructed and operated by Arena Co. (the “Arena Co. Building”) will be located on the Arena Co. Tract.

G. City owns certain real property described in Exhibit A (Parts 4A, 4B and 4C), located in the County of Sacramento, State of California, shown on Exhibit B and referred to as “Lot G,” “Lot K” and “Lot U,” respectively, and hereinafter collectively referred to as the “City Tract.”

H. The parking garages (“Garage G,” “Garage K” and “Garage U”, collectively, the “Garages” and, individually, a “Garage”) are located on Lot G, Lot K, and Lot U, respectively and contain the parking to be utilized by the Permittees. Garage G includes a subterranean tunnel which connects to Garage U. Garage K is not connected with either Garage G or Garage U. Garage K and Garage U lie beneath and provides support to some of the Developer Improvements.

I. Prior to the date of this Agreement, City was operating the Garages pursuant to the Prior POMA. From and after the date of this Agreement, Operator will Operate the Garages pursuant to this Agreement. The City and Arena Co. have entered into that certain Arena Parking Management Agreement dated as of May 20, 2014 (the “Parking Management Agreement”) attached hereto as Exhibit C, authorizing such operation of the Garages. The Parking Management Agreement governs the relationship of the City and Arena Co. independent of this Agreement (as more fully set forth in Section 16.20). Arena Co. has delegated such Operation to City on an interim basis, pursuant to an Agreement for Interim Parking Operations Management, dated as of May 20, 2014 (the “Interim Operation Agreement”), which interim Operation by the City may be extended at the discretion of City and Arena Co. The Interim Operation Agreement (i) shall be subject to the Parking Management Agreement and this Agreement, (ii) shall not reduce any of Arena Co.’s obligations as Operator under this Agreement; and (iii) shall not grant any rights to City under this Agreement, as Operator or otherwise.

J. City owns that certain sliver of land (the “Sliver”) adjacent to J Street and shown on Exhibit B. It is contemplated that the Sliver will be conveyed to Developer within approximately

six (6) months from the date of this Agreement. Upon such conveyance, the Sliver shall become part of the Developer Property.

K. Developer, Macy, Arena Co. and the City have entered into that certain Amended and Restated Cross-Easement Agreement of even date herewith (“CEA”) by which certain pedestrian and vehicular access, parking and other easements are granted, including those over the Garages, and by which certain covenants in support of such easements are made in order to integrate the uses of their Tracts (collectively referred to hereinafter as the “Project Site”); and Developer, Macy and Arena Co. have entered into that certain Amended and Restated Construction, Operation and Maintenance Agreement of even date herewith (“COMA”) setting forth certain rights and obligations of the Parties thereto as to construction, operation and maintenance relating to a mixed use project, hereinafter referred to as the “Project,” to be located on the Project Site.

L. The Parties recognize that the Project could not occur without, and that success of the Project as a catalyst for other redevelopment in Downtown Sacramento depends on, the availability of sufficient, conveniently located parking Operated in a first class manner at least equal to the operation of structured parking in other first class mixed use projects located in Northern California. The Parties therefore desire to agree upon certain Operation and restoration obligations and to make certain other covenants and agreements regarding parking as are hereinafter more specifically set forth.

NOW, THEREFORE, with reference to the foregoing recitals, and in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree to amend and restate the Prior POMA in its entirety (with the intent that the Prior POMA be superseded in its entirety but that there be no loss of lien priority and that no reference to the Prior POMA be required) as follows:

ARTICLE 1 USE

Section 1.1 Use and Operation. The Garages shall be used and Operated by Operator to provide parking, on a nonexclusive basis except to the extent set forth in the exhibit to this Agreement entitled Parking Operation Exhibit D (the “Parking Operation Plan”), for Permittees of the Project. The use, management and operation of the Garages shall be in accordance with the Parking Operation Plan. Operator shall use commercially reasonable efforts to enforce the parking restrictions and requirements set forth in the Parking Operation Plan.

Section 1.2 Covenant of Parking Availability. Operator covenants that so long as (i) the Garages or any portion thereof are in existence, and (ii) the Project or any portion thereof is in existence and operating, the Garages or the portion thereof in existence shall be available to Developer, Arena Co. and Macy and each of their respective Permittees on a nonexclusive basis for automobile parking.

Section 1.3 Obstructions. No fence, barrier or other obstruction of any kind which limits access or use of a Garage shall be placed, kept, permitted or maintained within a Garage, except

(i) entry and exit traffic control equipment to collect parking fees and validations, (ii) temporary barriers used during the course of construction and repair work to prevent interference with the work of construction or repair, (iii) temporary barriers used to control and direct traffic as needed for efficient traffic movement, (iv) temporary barriers used to direct holders of any special permits or other special parking rights authorized by the Parking Operation Plan to designated parking areas at the times and in the manner provided in the Parking Operation Plan, or (v) as required by the City in the exercise of its police powers for the protection of health, safety or welfare. .

Section 1.4 Number and Layout of Automobile Parking Spaces. At all times from and after the Implementation Date, subject to Articles 10 and 11, there shall be available within the Garages (and the parking area under the practice facility described below) a minimum of approximately 2,748 automobile parking spaces (excluding Macy's Parking Area) generally distributed as follows: 1,320 parking spaces in Garage G, 854 parking spaces in Garage K, 434 parking spaces in Garage U, and 140 parking spaces in the parking area under the proposed practice facility on the Arena Co. Tract referred to in the definition of "Garage(s)". The number, distribution and layout of the parking spaces and circulation elements within the Garages, as shown on Exhibit B, shall not be modified by Operator without the approval, not to be unreasonably withheld or delayed, of Arena Co.(if Arena Co. is not Operator.), Macy and Developer; provided, however, that the approval of fewer Parties is required to the extent provided for in the Parking Operation Plan, but in no event shall any modification by Operator of the number, distribution and layout of the parking spaces and circulation elements within Garage G or Garage U be permitted without the approval of Macy and Developer.

ARTICLE 2 OPERATION OF GARAGES

Section 2.1 Effectiveness of Agreement. The terms of this Agreement shall become effective as of the date of this Agreement. Notwithstanding the foregoing, during the course of the construction contemplated by the COMA and the CEA, the rights and obligations of the Parties and Operator are subject to restrictions relating to construction, including but not limited to the provisions of Sections 3.6, 3.7 and 3.8 of the COMA.

Section 2.2 Operation Standards. Except as provided in Section 2.3, Operator shall Operate the Garages at its sole cost and expense in good order, condition and repair. Notwithstanding the generality of the foregoing, Operator shall Operate the Garages in accordance with the practices prevailing in the first-class operation of structured parking within other first-class mixed use projects located in Northern California and which are of similar size as the retail portion of the Project with one (1) or more major department stores (i.e., stores comparable in size, quality of merchandise and marketing approach to that of Macy as of the date of this Agreement), subject to any reasonable modifications thereof by reason of the fact that a professional sports arena is operating in the Project, and, at a minimum, shall at all times observe and perform the following standards and services as frequently as reasonably required for the Garages to remain in good order, condition and repair:

(a) Clean and maintain all Garage surfaces and keep such surfaces level and evenly covered with the type of surfacing material originally installed thereon, or such substitute thereof as shall be equal thereto in quality, appearance and durability;

- (b) Remove all papers, debris, filth and refuse from the Garages and wash or thoroughly sweep paved areas;
- (c) Remove trash from trash receptacles and clean trash receptacles;
- (d) Clean, maintain, repair and replace entrance, exit and directional signs, markers and lights into and within the Garages;
- (e) Clean lighting fixtures and relamp and reballast;
- (f) Maintain, repair and replace striping;
- (g) Maintain and replace as necessary the existing landscaping surrounding Garage G within Lot G;
- (h) Maintain and repair the structure of the Garages;
- (i) Repaint and refinish all painted and finished surfaces;
- (j) Clean, maintain and repair all stairs, stairwells and stairwell doors within the Garages;
- (k) Clean and Operate all elevators within the Garages;
- (l) Maintain and repair all mechanical, electrical and utility facilities and systems that are a part of or serve a Garage, including, without limitation, sprinkler and fire control systems, parking revenue control equipment, mechanical venting systems, lighting and emergency lighting systems, rollup doors and traffic barriers, excluding, however, the service elevators serving the overlying improvements;
- (m) Except to the extent maintained by a utility company or that the same constitute private utility lines with respect to overlying improvements, maintain the utility lines which are located within the Garages;
- (n) Obtain the commercial general liability insurance required by Section 8.2 or, if the Operator is City, either obtain such insurance or self-insure against the risks which would be covered by such insurance, also in accordance with Section 8.2; and
- (o) Enforce standard rules and regulations adopted pursuant to Article 6.

Section 2.3 Garages K and U Escalators and Shared Elevators. Notwithstanding anything in Section 2.2 to the contrary, (i) Developer, at its sole cost and expense, shall maintain and repair, or cause to be maintained and repaired, the new bank of escalators to be constructed in the Project between the lowest level of Garage K and Plaza Level (along 6th Street) and the new bank of escalators (or renovated existing escalators) between the lowest level of Garage U and the Plaza Level in the Macy Court; provided, however, each of the two banks of Garage-to-Plaza-Level escalators shall be considered a part of the Garage in which they are located; (ii) Developer shall maintain, repair and shall be responsible for all costs of operating all of the passenger elevators, including utility costs, which serve both one or more levels of Garage K or U and one or more

levels of the Developer Improvements; provided, however, Operator shall reimburse Developer a portion of the costs of such maintenance, repair and operation of all such passenger elevators, other than the passenger elevator serving the 660 J Street building, on the basis of the formula set forth in a separate agreement between Developer and Operator; and (iii) Developer shall maintain, repair and shall be responsible for all costs of operating all of the service or freight elevators, including utility costs, which serve only the Developer Improvements. In no event shall Operator be responsible for the operation, maintenance or repair of service elevators in Garage K or U or any cost in connection with the same. In addition, so long as Developer is obligated to maintain and repair the subject escalator, Developer agrees to Indemnify, defend and hold Operator and its agents and employees harmless from and against any and all costs, losses, expenses, actions, claims and liabilities, to the extent the same arise from an occurrence on the subject escalator caused by Developer's negligence in its performance of such repair and maintenance services.

Section 2.4 Minimum Hours of Operation. Except as provided in this Section 2.4 below, the Garages shall be open to the public and fully lighted and operational (i) on those days, including holidays, that the Developer Retail Buildings (as defined in the COMA) are open or Macy's Store is open and (ii) during at least the following hours: one (1) hour before and one (1) hour after (a) the general hours of the Developer Retail Buildings (including the restaurants and cinema) or (b) if earlier or later than the general hours of the Developer Retail Buildings (including the restaurants and cinema), one (1) hour before and one (1) hour after the hours of Macy's Store as determined by Macy from time to time. The general hours of the Developer Retail Buildings (excluding restaurants and cinema) and the Macy Store are initially expected to be 10:00 a.m. to 9:00 p.m. from Monday through Saturday, and 11:00 a.m. to 6:00 p.m. on Sunday. Initially, the cinema and restaurants shall remain open until 12:00 a.m. from Sunday through Thursday, and until 1:00 a.m. on Friday and Saturday. The term "general hours of the Developer Retail Buildings" means the hours substantially all the Stores in the Developer Retail Buildings are required to be open pursuant to Developer's leases with such tenants, as such hours may be changed by Developer from time to time to accommodate sales, daylight savings time changes, changes in the hours of competing shopping centers, general shopping center standards or trends. The cinema's and restaurants' hours are also subject to change by Developer. Developer and Macy shall provide Operator with at least ten (10) days' prior written notice of any change in such Party's retail operating hours, except for a special sale day, for which three (3) days' notice shall be required. If any Store in the Developer Retail Buildings (excluding the restaurants and cinema) or Macy's Store is to be open before or is to remain open beyond the general hours of operation for the Developer Retail Buildings (excluding the restaurants and cinema), if requested by Operator, Developer or Macy, as applicable, will use its reasonable efforts to coordinate with Operator the reasonable parking needs of such use so as to minimize the operational expenses related to such before or after general retail hours use. Such efforts shall include, but not be limited to, posting of signs and providing notice to customers regarding the utilization of a limited parking area in connection with such use.

Notwithstanding the foregoing, Operator may elect to close or not to fully operate and light Garage K (or portions of Garage K) and portions of Garage U commencing one hour after the later of the general hours of the Developer Retail Buildings (excluding the cinema and restaurants) and the last to close of Macy's Store, if Operator determines (i) that Developer's and Operator's efforts to minimize the parking use of such areas by customers of the cinema and restaurants have been

reasonably successful and (ii) such closure or less than full operating and lighting will not expose customers to any unsafe condition or undue risk of injury or attack.

Section 2.5 Transfer of Operation Duties. If Arena Co. or any successor Operator desires to delegate Operation of one or more Garages (or any other portion of its obligations under this Agreement) to any Person, including, but not limited to a parking management company (“Parking Manager”), such Operator shall, prior to the effectiveness of any proposed delegation, provide Developer and Macy with a name of the proposed Parking Manager and a statement of the proposed Parking Manager’s experience and qualifications respecting its Operation of first-class, mixed use structured parking in Northern California. A delegation of a material portion of Operator’s duties shall be subject to the approval of Macy and Developer, which approval shall be granted if, in their reasonable discretion, the Parking Manager is reputable and experienced in the operation of structured parking garages in first-class mixed use projects in Northern California. Any such delegation by Arena Co. shall also be subject to any approval rights of City pursuant to the terms of the Parking Management Agreement. Operator shall, however, remain responsible for complying with Operator’s obligations under this Agreement notwithstanding any delegation of such duties or a portion thereof to a Parking Manager. Operator shall not have the right to assign this Agreement or its rights or obligations hereunder, without the approval of the Parties, which approval shall not be unreasonably withheld; provided, however, that Operator shall (in addition to its delegation rights set forth above in this Section 2.5) have the right to assign this Agreement and its rights and obligations hereunder without the consent of any Party to an Affiliate of Operator that assumes Operator’s rights and obligations under this Agreement.

Section 2.6 Operational Default. In the event Operator fails to Operate the Garages as provided herein, either Developer or Macy shall have the right to notify Operator in writing of such Default in Operation (with a copy to City), specifying the respects in which it considers Operator’s performance to be in Default of this Agreement. If Operator fails to Cure such Default or to commence and diligently proceed to Cure such Default within fifteen (15) days after such written notice, either Developer or Macy shall have the right to give Operator a second written notice of such Default (with a copy to City). Upon the failure of Operator to Cure such Default or to commence and diligently proceed to Cure such Default within ten (10) days after such second written notice, Developer shall give Operator a third notice of such Default (with a copy to City). Upon the failure of Operator to Cure such Default or to commence and diligently proceed to Cure such Default within five (5) days after such third written notice, in addition to all other rights and remedies Developer and Macy may have, Developer and Macy shall, in the event City has not cured pursuant to its rights under the Parking Management Agreement, each have the right, but not the obligation, separately or jointly, to render the performance reasonably necessary to Cure the Default. Notwithstanding anything hereinabove contained to the contrary, in the event of any emergency situation which threatens immediate injury to Persons or immediate damage to property, or material interference with access to any Garage or the parking therein, either Developer or Macy may without the notice required above, but with such notice as is reasonable under the circumstances, Cure any such emergency. In both cases Developer and Macy (as applicable) shall have the right, upon demand, to reimbursement from Operator for the reasonable costs and expenses incurred in effectuating such Cure, and if such demand is not paid within thirty (30) days, Developer and Macy may offset the same plus interest at ten percent (10%) per annum from the date of the demand against any other sum next due from such Party to Operator.

In the event Operator disputes the occurrence of such Default, it shall so notify Developer and Macy within fifteen (15) days of Operator's receipt of the initial notice of Default. If Operator disputes the second notice of such Default on the basis that such Default has been Cured during the preceding period for Cure, it shall so notify Developer and Macy within ten (10) days of Operator's receipt of the second notice of Default. If Developer or Macy has demanded reimbursement for costs incurred in responding to an alleged emergency situation and Operator disputes the need for such action or the costs incurred, Operator shall so notify Developer and Macy within fifteen (15) days of Developer's demand for reimbursement. The applicable Persons shall reasonably endeavor to resolve such dispute. The provisions of this Section 2.7 are in addition to and not in lieu of any other rights and remedies provided for in this Agreement or available at law or in equity.

ARTICLE 3 PARKING FEES AND VALIDATIONS

Section 3.1 Parking Rates and Validations. Parking rates and other fees for parking and parking validations are provided for in the Parking Operation Plan. Operator shall have the right to establish its rate schedule for hourly parking and revise such rate schedule from time to time (on at least thirty (30) days' prior written notice to the Parties) in its reasonable discretion, subject to Developer's right to approve each such schedule, which approval shall not be unreasonably withheld.

Section 3.2 Validation Payments. As of the date of this Agreement, Macy has been paying a validation fee ("Validation Fee") in the monthly amount of \$10,835. Macy shall continue to pay such monthly Validation Fee to Operator, subject to adjustment as set forth in this Section 3.2, it being understood that the Validation Fee is being paid in order to partially offset the operational costs of the Garages. Effective on the first day of January following the first full calendar year after the Scheduled Grand Re-Opening Date, and on January 1 of every year thereafter, Macy's monthly Validation Fee shall be increased or decreased in accordance with the percentage increase or decrease, if any, in the Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco Oakland San Jose (1982-84 = 100), hereinafter referred to as the "Index." For the purposes of this Agreement, "Base Amount" shall mean the monthly Validation Fee applicable during the immediately preceding 12 month period (except that for the first adjustment, the "Base Amount" shall mean \$10,835), and "Month of Adjustment" shall mean any month in which the Validation Fee is to be adjusted. The procedure for making such adjustments shall be to increase or decrease the Base Amount as of the first day of any Month of Adjustment by the same percentage as the annual percentage change in the Index during the 12 month period ending two months prior to the Month of Adjustment (except that for the first adjustment, the applicable period shall be the number of months between the month in which the adjustment pursuant to which the Validation Fee of \$10,835 was calculated and the Month of Adjustment). Should said bureau discontinue publication of the above Index, publish the same less frequently or alter the same in any manner, then Operator shall adopt a substitute procedure which reasonably reflects and monitors consumer prices and/or shall substitute any official index published by the Bureau of Labor Statistics or by such successor similar governmental agency as may then be in existence and shall be most nearly equivalent thereto.

In the event that City becomes Operator, as a successor to Arena Co., Developer shall pay to Operator a commercially reasonable Validation Fee pursuant to the terms and conditions of a commercially reasonable agreement to be negotiated in good faith between Developer and City.

Section 3.3 Revisions to Parking Operation Plan. Operator shall have the right to propose revisions to the Parking Operation Plan from time to time, but not more frequently than annually (subject to City's right below). The revisions shall be binding on the Parties and Operator if and when approved by Arena Co., Macy and Developer; provided, however, that the approval of fewer Parties is required to the extent the provided for in the Parking Operation Plan; provided, further, however, that no portion of a revised Parking Operation Plan shall be binding on a Party (unless it approves the applicable revision) if and to the extent such portion increases the cost of the Party for parking disproportionately when compared to the cost of the other Parties for parking, or otherwise disproportionately and adversely affects such Party's parking rights without that Party's reasonable approval. In the event that City becomes Operator, as a successor to Arena Co., the Parking Operation Plan shall be revised within 90 days as reasonably requested by the City and reasonably approved by the other Parties.

ARTICLE 4 SECURITY

Security services for the Garages shall be provided, or caused to be provided, by Operator in a manner consistent with, and as a part of, Operator's obligation to Operate the Garages in a first-class manner as more particularly specified in Section 2.2 and during such hours as may be required from time to time in Operator's reasonable discretion.

ARTICLE 5 ALTERATIONS

Subject to Sections 1.3 and 1.4, with the written consent of Developer, Operator shall have the right during the term of this Agreement, at its sole expense, to do any of the following so long as the utility, use and appearance of the Garages as parking facilities are not unreasonably interfered with and there is no net loss of parking spaces: (i) make any addition to or improvements to the Garages, (ii) attach fixtures and signage or equipment to structures within the Garages or (iii) place any personal property within the Garages. Notwithstanding the foregoing, (x) the consent of Macy and Developer shall be required for any of the following changes in the Garage: relocation or closing of entrances, parking areas, access roads, or the installation of significant barriers, and (y) the provisions in the Parking Operation Plan requiring the consent of certain Parties shall apply to those provisions specifying such consent.

ARTICLE 6 RULES AND REGULATIONS

Operator shall establish and enforce general policies, rules and regulations for the repair, management, maintenance, operation and use of the Garages (the "Rules and Regulations") which shall be consistent with the provisions of this Agreement. Operator covenants that it will permit the Garages to be used only in accordance with the Rules and Regulations, and Developer, Macy and Operator covenant to observe and comply with the Rules and Regulations. The Rules and

Regulations shall not be applied or enforced in any manner which discriminates against Permittees of the Project. The Rules and Regulations shall be subject to change from time to time by Operator, provided such change has been consented to by Developer, Arena Co. and Macy. (Arena Co. and City covenant to each other that Arena Co.'s consent shall be subject to the terms and conditions of the Parking Management Agreement.)

ARTICLE 7 TRANSIT PROGRAM

The Prior POMA required pursuit in a cooperative manner of a partnership with the Sacramento Regional Transit District ("Regional Transit") committed to promoting and facilitating the use of transit for shopping trips to the Project. To the extent and so long as Regional Transit continues its program, Operator shall continue to pursue a cooperative effort with Regional Transit, focused primarily on promoting transit use through marketing transit availability and convenience and creating a transit validation program, and a transportation coordinator will be maintained onsite by Operator to the extent required. Such transportation coordinator may also be responsible for the Project's compliance with City's Transportation System Management requirements, and each Party will cooperate with the efforts of such transportation coordinator. The responsibilities of the transportation coordinator will include but not be limited to:

- (a) developing a marketing strategy to promote transit use;
- (b) developing, implementing and monitoring a transit validation program;
- (c) educating merchants on the transit validation program; and
- (d) performing a survey every two years to gather information on modes of travel of patrons. At a minimum, the survey will include method of travel (including use of a shuttle or other modes of transit), trip origin and final destination. The survey results shall be submitted in the form of a monitoring report to Developer, Operator, Arena Co. (if Arena Co. is not the Operator) and Macy every two years.

ARTICLE 8 INDEMNIFICATION AND COMMERCIAL GENERAL LIABILITY INSURANCE

Section 8.1 Indemnity. Arena Co., when acting as Operator of the Garages, or any other Person while acting as Operator of the Garages, and Developer or Macy, as the case may be, when it is exercising its right to Cure under Section 2.6 ("Indemnitor"), covenants to Indemnify all other Parties with regard to Indemnitor's Operation of the City Tract.

Section 8.2 Operator's Commercial General Liability Insurance. Throughout the term of this Agreement and at its sole cost (except as may be set forth in separate agreements with any other Party, which exception shall only relate to the rights and obligations of the Parties to such separate agreement), Operator shall maintain, or cause to be maintained, in full force and effect, with a financially responsible insurance company or companies licensed to do business in the State of California, as demonstrated by a Best's Insurance rating of at least A-VII, commercial general liability insurance, occurrence form, at least as broad as ISO CG0001 or its equivalent, statutory worker's compensation and automobile liability insurance, covering claims arising from

occurrences, accidents and/or incidents within or on the City Tract that (a) occur during the term of this Agreement (regardless of when the claim is filed but subject to statutory time limits), and (b) result in bodily injury, personal injury or death to any Person and/or damage or destruction of property. Said insurance shall have a combined single limit of liability per occurrence of no less than Ten Million Dollars (\$10,000,000), which may be provided by a primary insurance carrier and an additional umbrella or excess policy that follows the form of the underlying primary policy, or such other prudent amount as Developer and Operator may jointly agree upon from time to time. By endorsements, such insurance policy shall provide coverage for liability arising from the premises, its operations, personal injury, completed operations, and, to the extent customarily covered by contractual liability insurance, contractual liability extending to the Indemnity given in Section 8.1.

Section 8.3 Blanket Insurance and Self-Insurance. Operator may provide the insurance described in Section 8.2 in whole or in part through a policy or policies covering other liabilities and locations of Operator and may satisfy the insurance requirements referred to in Section 8.2 in whole or in part through any plan of self-insurance maintained from time to time by such Person; provided such Person complies with the requirements of this Section 8.3. If Operator elects to self-insure, it shall do the following:

- (a) notify all Parties;
- (b) have and maintain (together with its guarantor, if any) net worth of at least Three Hundred Million Dollars (\$300,000,000) and net current assets of at least One Hundred Fifty Million Dollars (\$150,000,000); and
- (c) furnish to any other Party requesting the same evidence of such net worth and net current assets.

The most recently published annual report of any such Person (or its guarantor) that is audited by an independent certified public accountant shall be sufficient evidence of a Person's net worth and net current assets. If Operator is qualified to and elects to self-insure pursuant to the provisions of this Section 8.3 and thereafter elects not to self-insure, it shall give at least thirty (30) days' prior notice to each of the Parties.

Section 8.4 General. From time to time, at the request of any Party or Operator, the amounts of insurance limits and deductibles and the self-insurance requirements provided for in this Article 8 shall be reevaluated and adjusted as appropriate. Any Operator not electing to self-insure shall provide insurance as specified in this Article 8 in accordance with the following standards. Upon request, the Operator obtaining such insurance (the "Named Insured") shall furnish to the other Parties evidence that the required insurance is in full force and effect, that the premiums therefor have been paid and that the insurance is of the "occurrence" type. All insurers shall be financially responsible, as evidenced by a Best's Insurance rating of A- or better and a financial size category rating of VII or better. All insurance policies (including endorsements) shall (a) name all Parties (and related Affiliates, if so requested), other than the Named Insured, as additional insureds, (b) specify that the coverage afforded any such additional insured is primary to the extent such additional insured is entitled to Indemnity under this Article 8, (c) have a

cross-liability clause, (d) provide that such insurer shall endeavor to provide thirty (30) days' prior written notice of cancellation to all insureds.

ARTICLE 9 PROPERTY INSURANCE

Section 9.1 Property Insurance. Effective from the date hereof and throughout the term of this Agreement, Operator covenants that it shall carry or cause to be carried "coverage which applies to direct physical loss or damage to covered property from a covered cause (or all covered causes), not hereinafter excluded or limited" on an "agreed amount replacement cost basis" (exclusive of excavations, foundations and footings and without deduction for depreciation), or if more appropriate its "Probable Maximum Loss" for the specific perils of Earthquake and Flood. Deductibles should be equal to no more than \$250,000 per occurrence for "all other perils" with the exception of earthquake and flood, which shall not have deductibles exceeding five percent (5%) of total insurable value. Such insurance shall be carried with financially responsible insurance companies licensed to do business in the State of California. Operator agrees that such policies shall contain a provision that the insurer shall endeavor to provide thirty (30) days' prior written notice of cancellation to all insureds.

Section 9.2 Blanket Insurance and Self-Insurance. Operator may provide the insurance described in Section 9.1 in whole or in part through a policy or policies covering other liabilities and locations of Operator or its Affiliates; provided, however, that such policy shall (a) allocate to the properties required to be insured by this Article 9 the full amount of insurance required hereunder and (b) contain, permit or otherwise unconditionally authorize the waiver granted in Section 9.3.

Notwithstanding anything to the contrary contained in this Article 9, Operator may satisfy, in whole or in part, its insurance obligations under this Section 9.1 with a plan of self-insurance maintained from time to time by Operator on the same terms and conditions as required for Operator to self-insure pursuant to Section 8.3.

Notwithstanding anything to the contrary set forth in this Agreement, a separate insurance agreement between two (2) or more interested Parties (which may include Operator) may supersede the specific language in this document if the mutually agreed to alternative accomplishes the same intent to protect the property and assets of all impacted Parties and Operator by improving the language, insuring methods, and the cost effectiveness of type of insurance programs obtained. By way of example, but not limitation, two (2) or more Parties (which may include Operator) may agree to obtain a joint property insurance policy. If they do so, the restoration provisions of Article 10 shall be construed so as to permit restoration by one (1) Party or Operator of property on its Tract and on the Tract of the other Parties or Operator covered by such joint policy, to the extent that restoration is required by this Agreement.

Section 9.3 Mutual Release; Waiver of Subrogation. Operator hereby releases and waives for itself, and to the extent legally possible for it to do so, on behalf of its insurer, each of the other Parties and their officers, directors, agents, partners, members, servants and employees from liability for any loss or damage to the Garages (including any resulting loss of rents or profits), which loss or damage is of the type Operator is required to insure against by this Article 9,

irrespective of any negligence on the part of the released Party which may have contributed to or caused such loss or damage. Operator covenants that it will, if generally available in the insurance industry, obtain for the benefit of each such released Party a waiver of any right of subrogation which the insurer (if any) of Operator may acquire with respect to Operator's rights by virtue of the payment of any such loss covered by such insurance.

In the event Operator is not self-insuring and is by law, statute or governmental regulation unable to obtain a waiver of the right of subrogation for the benefit of each other Party, then, during any period of time when such waiver is unobtainable, Operator shall not have been deemed to have released any subrogated claim of its insurance carrier against the other Parties.

Section 9.4 Certificate of Insurance. Operator shall, at the request of another Party, promptly furnish the requesting Party a certificate from its insurer or its plan of self-insurance evidencing Operator's compliance with the insurance coverage or self-insurance requirements of this Article 9.

Section 9.5 Application of Proceeds. In every case of Damage to the Garages, Operator shall use any insurance proceeds with respect to the same to restore, repair or rebuild the Garages with all reasonable diligence to the extent required by Section 10.2, or, if not so required, to clear, improve and maintain the same, as required by Section 10.2.

Section 9.6 General. From time to time, at the request of any Party or Operator, the amounts of insurance limits and deductibles and the self-insurance requirements provided for in this Article 9 shall be reevaluated and adjusted as appropriate.

ARTICLE 10 RESTORATION

Section 10.1 Restoration of Improvements. If Damage affecting one or more of the Developer Improvements, the Arena Co. Building or the Macy Building occurs at any time during the term of this Agreement and the restoration thereof is not required by the terms of the COMA, within ninety (90) days after the occurrence of such Damage, Developer, Arena Co. or Macy, as applicable, shall notify the other Parties and Operator whether or not it elects to restore the Damaged Developer Improvements, Arena Co. Building or Macy Building, respectively. A Party's election to restore shall be binding on that Party and enforceable by the other Parties and Operator except to the extent such other Party or Operator has failed to commence and then complete restoration of its Damaged improvements or any obligation it may have under the COMA to restore the same. If a Party has elected or is obligated to restore, such Party shall proceed diligently, at its sole cost, to restore its Damaged improvements; provided, however, to the extent such restoration cannot occur until Damage to the underlying Garage(s) is restored, restoration of the overlying improvements shall commence as soon as possible following restoration of the Damage to the underlying Garage. If not required by the terms of the COMA to restore their Damaged improvements, should Developer, Arena Co. or Macy elect not to restore their Damaged improvements, such Party shall remove their Damaged improvements in accordance with the terms of the COMA.

Section 10.2 Restoration of Garages. Except as provided in this Section 10.2, at all times during the term of this Agreement, in the event of any Damage to the Garages, Operator shall diligently restore the same at its sole cost and expense. Notwithstanding anything contained in this Agreement to the contrary, Operator shall be relieved of its restoration duty to the Developer and Macy (but covenants with City that any additional requirements in the Parking Management Agreement may limit the extent of such relief) to the extent that:

(1) the Damage does not affect a Garage or portion thereof which provides or would provide structural support to the Developer Improvements, Macy Building or Arena Co. Building or, even if a Garage provides structural support, (i) such overlying improvements do not remain in operable condition following the Damage and (ii) Developer, Macy or Arena Co., as applicable, have not notified Operator that such Party elects to rebuild, restore and/or continue using its improvements (but for no minimum amount of time);

(2) the failure to restore the Damaged portion of the Garage(s) does not materially and adversely affect the intended use of the un-Damaged portion of the Garages;

(3) the failure to restore the Damaged portion of the Garage(s) does not adversely affect the existing traffic circulation patterns;

(4) if Macy has notified Operator that it elects to rebuild, restore and/or continue using at least eighty percent (80%) of the Initial Planned Floor Area (as set forth in Section 4.1 of the COMA) of its improvements, but for no minimum amount of time, the failure to restore the Damaged portion of Garage G or U does not reduce the number of parking stalls in Garages G and U to less than the aggregate number of parking stalls within Garages G and U existing immediately prior to the Damage; provided, however, that if Macy does not provide such notice, Operator shall not be obligated to Macy to restore any Damaged portion of any Garage;

(5) if Arena Co. is no longer the Operator and has notified Operator that it elects to rebuild, restore and/or continue using the Arena Co. Building, but for no minimum amount of time, the failure to restore the Damaged portion of Garages U or K does not reduce the number of parking stalls in Garages U and K to less than the aggregate number of parking stalls within Garages U and K existing immediately prior to the Damage; provided, however, that if Arena Co. does not provide such notice, Operator shall not be obligated to Arena Co. to restore any Damaged portion of any Garage; or

(6) if Developer has notified Operator that it elects to rebuild, restore and/or continue using at least eighty percent (80%) of the Initial Planned Floor Area (as set forth in Section 4.1 of the COMA), but for no minimum amount of time, the failure to restore the Damaged portion of Garages U or K does not reduce the number of parking stalls in Garages U and K to less than the aggregate number of parking stalls within Garages U and K existing immediately prior to the Damage; provided, however, that if Developer does not provide such notice, Operator shall not be obligated to Developer to restore any Damaged portion of any Garage.

If Operator is not obligated hereunder and elects not to restore the Garages or any portion thereof, then, at its sole cost, Operator shall (i) raze the Garage improvements that have been Damaged; (ii) clear its Tract of debris and fill the same to surface level; (iii) level, clear and improve with minimal landscaping and hardscaping compatible with the balance of the Project all

ground areas not restored for use as Garages; and (iv) maintain the same in a safe and slightly condition until such time as Operator may elect to rebuild a Garage thereon.

Section 10.3 Standards of Construction. A Party or Operator performing any restoration, repair, rebuilding, maintenance, alterations, additions or improvements pursuant to this Agreement (hereafter in this Section 10.3 collectively called “work”) shall strictly comply with such of the following requirements as are applicable:

(a) No work shall be commenced unless the Party or Operator desiring to perform the same has in each instance complied with the appropriate provisions of this Agreement, the CEA and the COMA, if (and to the extent) applicable to such Party or Operator. City shall have the right to review and approve plans and specifications prepared by the Party or Operator for its restoration of the Garages, including but not limited to restoration work performed under Section 10.6.

(b) All work shall be performed in a manner so as to maintain access to Buildings which remain open and operating and to minimize disruption of any business being conducted within such Stores.

(c) All work shall be performed in a good and workmanlike manner, strictly conforming to and complying with:

(1) The plans and specifications for the common or integrated elements of overlying Project improvements and underlying Garage improvements approved by Parties and Operator whose improvements overlie or underlie the improvements to be restored, which plans shall include all proposed barricades and staging areas. Developer’s and Arena Co.’s right of approval over Operator’s plans and specifications shall expressly include the structural design and load-bearing capacity of the improvements to be constructed or rebuilt within Lot K (and Lot U, in the case of Developer’s approval) so as to assure that the improvements within Lot K and Lot U can be functionally and structurally integrated with and provide support to Developer Improvements and the Arena Co. Building;

(2) The requirements of all applicable laws, codes, regulations, rules and underwriters (subject to the right of any Party or Operator to contest the validity or application thereof at its sole cost and expense); and

(3) All reasonable or customary safety precautions.

(d) All such work shall be commenced with due diligence following the Damage (except in the case where such restoration must await the restoration of underlying Garage improvements, in which case such restoration work shall be commenced with due diligence after the completion of such Garage improvements) and shall be completed (at the sole cost, except as herein provided to the contrary, of the Party or Operator performing the same) with due diligence, (1) in the case of the other Parties, to the extent required under this Article 10 and in accordance with the COMA, and (2) in the case of Operator, after the other Parties’ elections regarding restoration and the removal of those overlying improvements which have been damaged or destroyed, if such removal is necessary in order to allow Operator to commence its restoration work.

Section 10.4 Licenses for Restoration. Operator is hereby granted by each Party a temporary license to use, as necessary, those portions of such Party's Tract, and the Parties are hereby granted by Operator a temporary license to use, as necessary, those portions of City's Tract, to maintain, repair, alter, improve, restore and/or raze the whole or any part of the Garages (in the case of Operator and in the case of Developer or Macy, as applicable, in connection with the exercise of its rights under Section 10.6) or the Developer Improvements (in the case of Developer) or the Macy Building (in the case of Macy) or the Arena Co. Building (in the case of Arena Co.), as this Agreement permits or requires (such activities are collectively referred to in this Section 10.4 as "construction").

With respect to all purposes for which such license is exercised, the licensee shall submit, within a reasonable time prior to commencement of such activity, to the licensor for its approval, the following: a plot plan of the Project Site on which such licensee shall delineate those portions of the other Tract upon which such licensee reasonably intends to exercise the license; specification of the nature and extent of the activity; and a time schedule therefor. The licensor shall, within ten (10) days thereafter, notify licensee whether it approves or disapproves of the proposed location, timing and use. At all times during any licensee's use of a portion of another Tract, as aforesaid, such licensee shall comply with the other applicable requirements of this Section 10.4 and, except in the case of Developer's or Macy's entry onto the City Tract to restore the Garages pursuant to Section 10.6, upon cessation of such use, shall promptly restore the portions of the other Tract so used to the same condition in which they existed prior to the time of commencement of such use, including the clearing of such area of all loose dirt, debris, equipment and construction materials attributable to the activities of the licensor Party. Such licensee shall also restore, at its sole cost and expense, any portions of the Project Site which may have been damaged by such construction promptly upon the occurrence of such damage and shall at all times during the period of any such construction keep all portions of the Project Site, except the portions upon which said construction is being performed and the portions of the other Tract being utilized by such licensee pursuant to this Section 10.4, free from and unobstructed by any loose dirt, debris, equipment or construction materials related to such construction.

Section 10.5 Liability of Involuntary Transferee. Notwithstanding anything in this Article 10 to the contrary, the provisions of Sections 10.1 and 10.2 shall apply to an Involuntary Transferee or purchaser of a Tract following an Involuntary Transfer only in the following instances:

(a) Damage Before and After Involuntary Transfer. Where an Involuntary Transferee or purchaser at foreclosure acquires title to a Tract in or immediately after an Involuntary Transfer, such Involuntary Transferee or purchaser shall be liable to restore the improvements on such Tract Damaged prior to such Involuntary Transfer only to the extent that (i) the Involuntary Transferor would have been obligated for such restoration and (ii) insurance proceeds are available for such restoration. If such Damage occurs after such Involuntary Transfer, the Involuntary Transferee or foreclosure purchaser shall comply with Sections 10.1 or 10.2, as applicable.

(b) Razing of Improvements. If an Involuntary Transferee or purchaser at a foreclosure sale, which has acquired title in the manner set forth in subsection (a) above is not required pursuant thereto to restore, repair or rebuild any building that has been damaged or destroyed and elects not to do so, then such Involuntary Transferee or foreclosure purchaser shall raze such

building or such part thereof that has been so damaged or destroyed, clear the Tract of all debris, and improve the same at its sole cost as required by Sections 10.1 or 10.2, whichever is applicable.

Section 10.6 Restoration of Garages by Operator. If Operator shall fail to commence the work of restoration required by Section 10.2 within a reasonable period of time (not to exceed ninety (90) days) after another Party's election to restore pursuant to Section 10.1, City shall have the right, after notice to be given within sixty (60) days after Operator's failure, to perform such work (and if City fails to elect to perform such work, Developer, if Developer has elected to restore, and, if not, Macy's, if it has elected to restore, shall have the right to perform such work). Operator shall, no more frequently than monthly, upon demand and receipt of reasonably satisfactory and customary evidence of the performing Party's lien-free expenditures in connection with such work, reimburse the performing Party for all costs of restoring the Garages to the extent such restoration is required by Section 10.2. In such event, the performing Party's license, as applicable, under Section 10.4 (if the performing Party is Developer or Macy) shall include a license to enter the City Tract for the purpose of performing such work.

Section 10.7 Mechanics' Liens. If any mechanic's lien is filed against the Tract of any Party or Operator (referred to in this Section 10.7 as the "liened Party"), the Party or Operator who ordered or contracted for the work or materials on account of which the lien was filed (referred to in this Section 10.7 as the "contracting Party") hereby covenants to pay the same and have it promptly discharged of record, or to take such action as may be required reasonably and legally to object to such lien or to have the lien removed from such Tract and, in all events, to have such lien discharged prior to its foreclosure. Upon request of the liened Party, the contracting Party covenants to Indemnify the liened Party and the title insurer of the liened Party's Tract from such lien and furnish a bond or other security as may be required by law to remove, release and discharge such lien of record or to permit the title insurer to issue an endorsement insuring against the effect of the lien. The Parties acknowledge that mechanic's or materialmen's liens of any kind or nature are not permitted by law to be recorded or enforced in connection with any work performed hereunder.

ARTICLE 11 CONDEMNATION

Section 11.1 Complete Taking; Waiver. If the whole of the Garages, or so much thereof as to render the remainder unusable for parking purposes, or, in the reasonable judgment of Developer, so much thereof as to render the Project operationally unfeasible, shall be taken under the power of eminent domain or condemnation or sold to any county, state or federal governmental agency threatening to exercise the power of eminent domain or condemnation (collectively referred to herein as a "taking"), then this Agreement shall terminate.

Section 11.2 Partial Taking. If less than the whole of the Garages shall be taken and the remainder is usable for parking purposes and, in the reasonable judgment of Developer, the taking does not render the Project operationally unfeasible, to the extent necessary to render the remaining portion useable and functional independent from the taken portion, Operator shall restore or rebuild the remaining portion of the Garages in accordance with Section 10.3 with the benefit of the license granted under Section 10.4.

Section 11.3 Award. Any award made with respect to City's interests in the Garages shall be paid to City and applied to the restoration of the Garages by the Operator to the extent such restoration is required by Section 11.2, and no other Party shall have any interest in or thereto except as may be provided in the Arena Tract Lease or the Parking Management Agreement; provided, however, that nothing herein shall prevent the other Parties and those Persons claiming under or through Developer, Arena Co. or Macy from separately claiming any damages against the condemning authority which may be lawfully claimed by Developer, Arena Co. or Macy or such Persons by reason of the taking of the Garages, including, without limitation, their interests under this Agreement.

ARTICLE 12
TERMINATION OF AGREEMENT

Except as to any provisions of this Agreement which by their terms shall or may survive the termination of this Agreement, this Agreement shall terminate sixty (60) years after the date this Agreement is recorded in the Official Records, unless sooner terminated under the provisions of Article 11.

ARTICLE 13
INTENTIONALLY OMITTED

ARTICLE 14
NOTICES

Section 14.1 Delivery to Parties. Any notice, demand, request, consent, approval, designation, or other communication that any Party or Operator is required or desires to give, make or communicate to any other Party or Operator shall be given, made or communicated in writing by personal delivery, reliable overnight courier, facsimile transmission (followed by first class United States mail), or United States certified mail, return receipt requested with postage fully prepaid, to the following addresses:

Developer:

John Rinehart, CFO
Sacramento Basketball Holdings LLC
One Sports Parkway
Sacramento, CA 95834
Facsimile: (916) 928-6983

with copies to:

Mark Friedman, Owner
1530 'J' Street, Suite 200
Sacramento, CA 95814
Facsimile: None

Jeffrey Dorso, Esq.
Pioneer Law Group, LLP
1122 'S' Street
Sacramento, CA 95811
Facsimile: (916) 496-8500

Adam R. Klein, Esq.
Katten Muchin Rosenman LLP
525 W. Monroe Street
Chicago, IL 60661-3693
Facsimile: (312) 902-1061

JMA Ventures, LLC
180 Sansome Street, Suite 1200
San Francisco, CA 94104
Attn: Messrs. Paul Faries and Todd Chapman

Macy:

Macy's West Stores, Inc.
7 West Seventh Street
Cincinnati, Ohio 45202
Attn: Real Estate Department (CA)

with a copy to:

Macy's West Stores, Inc.
7 West Seventh Street
Cincinnati, Ohio 45202
Attn: Law Department – Real Estate Group (CA)

City:

John Dangberg
Assistant City Manager
City of Sacramento
915 I Street, Fifth Floor
Sacramento, California

with a copy to:

Matt Ruyak
Assistant City Attorney
City of Sacramento
915 I Street, Fourth Floor
Sacramento, California 95814

Jeffrey Massey
Senior Deputy City Attorney
City of Sacramento
915 I Street, Fourth Floor
Sacramento, California 95814

Matt Eierman
Parking Manager
City of Sacramento
Department of Public Works
300 Richards Boulevard, Suite 213
Sacramento, CA 95811

Arena Co. and Operator:

John Rinehart, CFO, and Randy Koss, Senior Vice President, Real Estate
Development
Sacramento Basketball Holdings LLC
One Sports Parkway
Sacramento, CA 95834
Facsimile: (916) 928-6983

with copies to:

Mark Friedman, Owner
1530 'J' Street, Suite 200
Sacramento, CA 95814
Facsimile: None

Jeffrey Dorso, Esq.
Pioneer Law Group, LLP
1122 S Street
Sacramento, CA 95811
Facsimile: (916) 496-8500

Adam R. Klein, Esq.
Katten Muchin Rosenman LLP
525 W. Monroe Street
Chicago, IL 60661-3693
Facsimile: (312) 902-1061

Each Party or Operator may designate at any time a different or additional addresses for its receipt of notices by giving at least ten (10) days' notice of such change of address to all other Parties and Operator.

Any notice, demand, request or other communication (except any consent, approval or designation), including any copy, shall be deemed to have been given, made, received and communicated, as the case may be, on the date personal delivery was effected if personally served,

or on the date of delivery as shown on the return receipt if delivered by mail. If any such notice requires any action or response by the recipient or involves any consent or approval solicited from the recipient, such fact shall be clearly stated in the notice in the manner provided in Section 16.5.C. Any responsive consent, approval or designation shall be sent as provided above and shall be deemed to have been given, made, received and communicated, as the case may be, on the date of personal delivery or the date the same was deposited in the United States mail in conformity with this Section 14.1.

In the event that a Party or Operator shall give notice to any other Party or Operator of a Default, such Party or Operator shall concurrently send each of the other Parties and Operator and their Mortgagees (in accordance with Section 14.2) a copy of such notice; provided, however, failing to give such notice to the other Parties and Operator (and/or their Mortgagees) shall not affect the validity of such notice of Default nor shall giving or failing to give such notice create any liability on the part of the Party or Operator so declaring a Default.

Section 14.2 Mortgagee Notice. The Mortgagee under a Mortgage affecting the Tract of a Party or Operator shall be entitled to receive notice of any Default by the Party or Operator as to such Tract, provided that such Mortgagee shall have delivered a copy of a notice in the form hereinafter contained to each Party and Operator. Any Mortgagee shall also have the right to perform the duties of any Party as to the Tract subject to such Mortgage. The form of such notice shall be as follows:

The undersigned, whose address is _____ does hereby certify that it is a "Mortgagee" (as defined in the Amended and Restated Parking Operation and Maintenance Agreement) of the Tract of land described on Exhibit A attached hereto and made a part hereof and being the Tract of [Party or Operator] ("Party") in the project located in Sacramento, California. In the event that any notice shall be given of the Default of the Party upon whose Tract the Mortgage held by the undersigned applies, a copy thereof shall be delivered to the undersigned who shall have all rights of such Party to Cure such Default. Failure to deliver a copy of such notice to the undersigned shall in no way affect the validity of the notice of Default as it respects such Party, but shall make the same invalid as it respects the Mortgage of the undersigned.

Any such notice to a Mortgagee shall be given in the same manner as provided in Section 14.1. In the event that any notice shall be given of the Default of a Party or Operator and such Defaulting Party or Operator has failed to Cure or commence to Cure such Default as provided in this Agreement, then and in that event any such Mortgagee under a Mortgage affecting the Tract of the Defaulting Party or Operator shall be entitled to receive an additional notice given in the manner provided in Section 14.1, that the Defaulting Party or Operator has failed to Cure such Default and such Mortgagee shall have thirty (30) days after said additional notice to Cure or, if such Default cannot be Cured within thirty (30) days, to commence to Cure any such Default and to prosecute said Cure continuously and diligently until completed; provided, however, that if any Cure shall reasonably require possession, a Mortgagee shall have the opportunity, and shall be deemed to be prosecuting the Cure continuously and diligently to completion, if it takes commercially reasonable steps to commence and diligently proceed with foreclosure prior to Cure

(with allowance being given if and to the extent that a bankruptcy or similar filing shall have taken place).

ARTICLE 15 AMENDMENT

Section 15.1 Method and Effect of Amendment. The Parties and Operator agree that, except as set forth in Section 3.3 regarding revisions of the Parking Operation Plan, the provisions of this Agreement may be modified or amended, in whole or in part, only by written agreement, executed and acknowledged by all Parties and Operator; provided, however that the consent of City is required only if the amendment is likely to materially and adversely affect its rights or obligations as a successor Operator or its rights or obligations as a successor Party as to the Arena Co. Tract, and provided further, however, that consent by any other Party is required only if the amendment is likely to materially and adversely affect its rights or obligations under this Agreement. The Parties shall not unreasonably withhold or delay their consent to any amendment to this Agreement which requires their consent. Except as provided below, any amendment or modification hereof (including any extension and renewal hereof), whenever made, shall be superior to any and all liens, to the same extent as if such amendment or modification had been executed concurrently with this Agreement. In the event a Party or Operator that is required to execute or consent to an amendment to this Agreement has a Mortgage which requires the Mortgagee's consent to any amendment of this Agreement entered into by such Party or Operator, and such Mortgagee has given notice of the existence of such Mortgage to all of the other Parties and Operator in accordance with Section 14.2, the Mortgagee's written consent to the proposed amendment must be obtained in order for such amendment to be effective as against such Mortgagee.

Section 15.2 No Third-Party Beneficiary. Except for the provisions of Sections 14.2, 15.1, 16.1 and 16.19(b) and (c), which are for the benefit of a Mortgagee, the provisions of this Agreement are for the exclusive benefit of Macy, Developer, Arena Co. and Operator (and City, to the extent set forth in this Agreement) and not for the benefit of any third Person, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any third Person. It is expressly understood and agreed that, except for the provisions of Sections 14.2, 15.1, 16.1 and 16.19(b) and (c), no other Person shall have any right to enforce any of the provisions of this Agreement.

ARTICLE 16 MISCELLANEOUS

Section 16.1 Breach Shall Not Defeat Mortgage. A breach of any of the conditions, covenants, or restrictions of this Agreement shall not defeat or render invalid the lien of any Mortgage made in good faith and for value, but all such conditions, covenants and restrictions shall be binding upon and effective against any Person who acquires title to said property or any portion thereof by foreclosure, deed in lieu of foreclosure, trustee's sale, power of sale or otherwise.

Section 16.2 Breach Shall Not Permit Termination. No breach of this Agreement shall entitle any Party or Operator to cancel, rescind or otherwise terminate this Agreement, but such limitation shall not affect, in any manner, any other right or remedies which the Parties or Operator may have by reason of any breach of this Agreement.

Section 16.3 Captions. The table of contents and the captions of the Sections and Articles of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation and construction.

Section 16.4 Consents and Approval. In any instance in which any Party or Operator to this Agreement shall be requested to consent to or approve of any matter with respect to which such Party or Operator's consent or approval is required by any of the provisions of this Agreement, such consent or approval, or disapproval, shall be given in writing, and such consent or approval shall not be unreasonably withheld or delayed, unless the provisions of this Agreement with respect to a particular consent or approval shall expressly provide that the same may be given or refused in the sole and absolute judgment or discretion of such Party or Operator. Requests for consent shall be subject to the provisions of Section 16.5. So long as Arena Co. and Operator are the same entity (or Affiliates of one another), for the purpose of any term of this Agreement which refers to the consent, approval or disapproval of a majority or a specified number of Parties or Operator, they shall be counted as a single Person.

Section 16.5 Exercise of Approval Rights.

A. Wherever in this Agreement approval or consent of any Party or Operator is required, and unless a different time limit is provided in this Agreement, such approval or disapproval shall be given within thirty (30) days following the receipt of the item to be so approved or disapproved, or the same shall be conclusively deemed to have been approved by such Party or Operator, subject to the provisions of this Section 16.5. Any disapproval shall specify with particularity the reasons therefor; provided, however, that wherever in this Agreement any Party or Operator is given the right to approve or disapprove in its sole and absolute judgment or discretion, such Party or Operator may disapprove without specifying a reason therefor and its disapproval shall not be subject to contest in any judicial, administrative or other proceeding.

B. Wherever a period of time less than thirty (30) days is provided in this Agreement, such time limit shall not apply unless the notice to the Party or Operator whose approval or disapproval is required contains a correct statement of the period of time within which such Party or Operator must act. If the time specified in the notice is incorrectly set forth or omitted, the time limit shall be thirty (30) days unless a longer time period is specified in this Agreement, in which case the longer time period shall control. Failure to specify such time period shall not invalidate the notice but simply shall require the action of such Party or Operator within said thirty (30) day period or such longer period.

C. Any document submitted for the consent or approval of any Party or Operator shall contain a cover page prominently reciting verbatim the applicable Agreement provision involved and stating that the document, or the facts contained therein, shall be deemed approved or consented to by the recipient unless the recipient objects thereto within the required time period specified in such notice. Notwithstanding anything to the contrary in this Agreement, no recipient's approval of or consent to the subject matter of a notice shall be deemed to have been given by its failure to object thereto if such notice (or the accompanying cover letter) did not fully comply with the provisions of this Section 16.5.

Section 16.6 Governing Laws. This Agreement shall be construed in accordance with the laws of the State of California.

Section 16.7 Injunctive Relief. In the event of any violation or threatened violation by any Person of any of the terms, restrictions, covenants and conditions of this Agreement, any of the Parties and Operator shall have the right to seek an injunction of such violation or threatened violation in a court of competent jurisdiction.

Section 16.8 No Partnership. Neither this Agreement nor any acts of the Parties or Operator shall be deemed or construed by the Parties or Operator to constitute an agreement to share profits and losses or to create the relationships of principal-agent, partnership, joint venture, or any association whatsoever between any of the Parties or Operator.

Section 16.9 Not a Public Dedication. Nothing in this Agreement shall be deemed to be a gift to the general public, or a dedication for any public purpose whatsoever, of any portion of the Project, it being the intention of the Parties and Operator that this Agreement shall be strictly limited to and for the purposes herein expressed.

Section 16.10 Payment on Default. If pursuant to this Agreement any Party or Operator (a) is compelled or elects to pay any sum of money or do any acts which require the payment of money by reason of any other Party's or Operator's Default or (b) does not pay any other sum when due to any other Party or Operator pursuant to the terms and provisions of this Agreement, then the Defaulting Party or Operator shall, upon demand, promptly reimburse the paying Party or Operator all such sums together with simple interest thereon at the Interest Rate (as hereinafter defined) from either the date of expenditure when the event in subpart (a) shall have occurred or the due date of payment when the event in subpart (b) shall have occurred, until the date of such reimbursement by the Defaulting Party or Operator. The "Interest Rate" shall be the rate of one percent (1%) per annum over the then-existing annual Reference Rate charged by the Bank of America Corporation, at Los Angeles, California, at the time of expenditure or the due date of payment, whichever is applicable, but in no event exceeding the maximum rate permitted by law.

If the Defaulting Party or Operator shall not have made the requested repayment within ten (10) days after demand therefor, the paying Party or Operator (or Person to whom the amount is due) shall have the right to deduct the amount thereof, together with interest as aforesaid, without liability or forfeiture, from any sums then due or thereafter becoming due from the paying Party or Operator to the Defaulting Party or Operator.

A Party or Operator's deduction from any sums due or payable by it pursuant to the provisions of this Section 16.10 shall not constitute a Default in the payment thereof unless such Party or Operator fails to pay the amount of such deduction (with interest thereon at the rate provided above from the respective dates of deduction) to the Defaulting Party or Operator to whom the sum is owing within thirty (30) days after a final adjudication, if any, that such amount is owing. The option given in this Section 16.10 is for the sole protection of the paying Party or Operator (or Person to whom such sum is due) but shall not release the Defaulting Party or Operator from its obligation to perform the terms, provisions, covenants and conditions nor deprive the paying Party or Operator (or Party or Operator to whom such sum is due) of any legal or equitable rights which it may have by reason of such Default.

Section 16.11 Severability. If any term, covenant, restriction or condition contained in this Agreement shall, to any extent, be invalid or unenforceable, the remainder of this Agreement (or the application of such term, covenant, restriction or condition to Persons or circumstances other than those with respect to which it is invalid or unenforceable), shall not be affected thereby. Each term, covenant, restriction and condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law, except those terms, covenants, restrictions or conditions which are expressly subject to or conditioned upon such invalid or unenforceable provisions.

Section 16.12 Successors. The provisions of this Agreement shall bind the City Tract, the Developer Property, the Arena Co. Tract and the Macy Tract both as respects benefits and burdens created herein, and shall constitute covenants running with the land under California Civil Code Section 1468.

Section 16.13 Time of Essence. Time is of the essence with respect to the performance of each of the terms, covenants, restrictions and conditions contained in this Agreement.

Section 16.14 Waiver of Default. A Party or Operator's waiver of another Party or Operator's Default must be made in writing, and no such waiver shall be implied from a Party or Operator's failure to take any action in respect of such Default if such Default continues or is repeated. No express waiver of any Default shall affect any Default, or cover any period of time, other than the precise Default and period of time specified in such express waiver. One or more waivers of any Default in the performance of any term, covenant, restriction or condition of this Agreement shall not be deemed to waive any subsequent Default. A Party or Operator's giving of its consent or approval to any act or request of another Party or Operator shall not be deemed to waive or render unnecessary the consenting/approving Party or Operator's consent to or approval of any subsequent similar acts or requests.

Section 16.15 Rights Cumulative. Except as limited by Sections 16.2 and 16.5, the rights and remedies of any Party or Operator under this Agreement shall be cumulative and not exclusive of any other rights or remedies at law or in equity of such Party or Operator. A Party or Operator's exercise of any given right or remedy shall not impair such Party or Operator's standing to exercise any other right or remedy.

Section 16.16 Counterparts. This Agreement may be signed in several counterparts, each of which shall be deemed an original, and all such counterparts taken together shall constitute one and the same instrument.

Section 16.17 Estoppel Certificates. Each Party and Operator hereby severally covenants that upon at least thirty (30) days' prior request of any other Party or Operator, it will issue to such other Person, or to any prospective Mortgagee or purchaser or lessee of all or a portion of such Person's Tract, an estoppel certificate stating: (i) whether the Person to whom the request has been directed knows of any Default under this Agreement, and if there are known Defaults, specifying the nature thereof; (ii) whether to its knowledge this Agreement has been assigned, modified or amended in any way (and if it has, then stating the nature thereof); and (iii) that to the Person's knowledge this Agreement as of that date is in full force and effect. Such certificate shall act as a waiver of any claim by the Person furnishing such certificate to the extent such claim is based upon facts known to that Person on the date of the certificate which are contrary to those asserted

in the certificate but only to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts to the contrary of those contained in the certificate and who has acted in reasonable reliance upon the certificate. Such certificate shall in no event subject the Person furnishing it to any liability whatsoever, notwithstanding the negligence or inadvertent failure of such Person to disclose correct or relevant information.

Section 16.18 Excuse for Nonperformance. Each Party and Operator shall be excused from performing any obligation or undertaking provided in this Agreement, except any obligation to pay any sums of money under the applicable provisions hereof (unless such payment is conditioned upon performance of an obligation or undertaking excused by this Section 16.18), in the event and only for so long as the performance of any such obligation or undertaking is prevented or delayed by act of God; fire; earthquake; floods; explosion; action of the elements; war; invasion; insurrection; riot; mob violence; sabotage; inability to procure or general shortage of labor, equipment, facilities, materials or supplies in the open market; failure of transportation; strikes; lockouts; action of labor unions; condemnation; order of governmental, civil, military or naval authorities; or any other cause, whether similar or dissimilar to the foregoing, not within the respective control of such Person (other than the lack of or inability to procure funds to fulfill its commitments and obligations or undertakings provided under this Agreement).

Section 16.19 Release.

(a) General Requirements. If a Party shall Transfer all of its interest in its Tract and all of its rights under this Agreement as to its Tract or a subdivided portion thereof, it shall be released from future obligations as to its Tract or such portion thereof hereunder from and after the effective date of such Transfer, provided that the following conditions are satisfied: (i) with respect to accrued obligations, any and all amounts which shall then be due and payable by such Transferor to any other Party to this Agreement shall have been paid to such other Party; provided, however, that the existence of unpaid amounts due from the Transferor shall not subject such Party to any liability or claims in excess of such unpaid amounts plus interest, attorneys' fees and costs, (ii) the Transferor shall promptly give notice to the other parties to this Agreement of any such sale, transfer, conveyance or assignment, and (iii) the Transferee shall execute and deliver to the other Parties a written, recordable instrument in which: (A) the name and address of the Transferee shall be disclosed; and (B) the Transferee shall acknowledge its obligations and undertake to be bound by this Agreement and perform all obligations thereafter accruing thereunder in accordance with the provisions of this Agreement. Failure to deliver and record any such written instrument shall not affect the running of any covenants herein with the land, nor shall such failure negate, modify or otherwise affect the liability of any transferee pursuant to the provisions of this Agreement, but such failure shall, until cured, prevent the Transferor's release from future obligations hereunder.

(b) Special Provisions Relating to Arena Co and Arena Co. Tract. With respect to Arena Co.'s leasehold interest in the Arena Co. Tract, it is expressly agreed that nothing in this Agreement shall preclude a release in any of the following circumstances:

(A) The release from all unaccrued obligations under this Agreement of such lessee upon the termination or expiration of the lease provided such lessee shall have complied with the payment provisions of Section 16.19(a); or

(B) The release from all unaccrued obligations under this Agreement of any Mortgagee which shall have acquired title of such leasehold interest through foreclosure or deed in lieu of foreclosure, upon sale, transfer, conveyance or assignment of its title or interest; or

(C) The release from all unaccrued obligations under this Agreement of City as lessor if it shall have acquired possession through termination or expiration of the lease, upon the sale, transfer, conveyance or assignment of its title or interest.

In the event of any termination or expiration of the interest of the lessee or any surrender thereof to the lessor, the lessor or its successors and assigns or the lessee, if it becomes the fee owner by exercise of an option to purchase or otherwise, shall (notwithstanding any language in the lease or any other instrument, or in any instrument or surrender, preventing the merger of title in said lessor) be liable for the performance of the thereafter accruing obligations under the terms of this Agreement and shall become the Party as to the Arena Co. Tract.

(c) Special Provisions Relating to Mortgages and Sale and Leasebacks. In the event that any Party shall enter into a Sale and Leaseback, it is expressly agreed that so long as the leaseback thereunder remains in existence, the leaseback lessor shall, for the purposes of this Agreement, be deemed a Mortgagee of the property involved in such Sale and Leaseback. Anything in this Agreement to the contrary notwithstanding, it is expressly understood and agreed that nothing in this Agreement shall preclude a release in any of the following circumstances:

(A) The release from all unaccrued obligations under this Agreement of a leaseback lessee in a Sale and Leaseback, upon the termination or expiration of the leaseback provided such lessee shall have complied with the payment provisions of Section 16.19(a); or

(B) The release from all unaccrued obligations under this Agreement of any Mortgagee which shall have acquired title through foreclosure or deed in lieu of foreclosure, upon sale, transfer, conveyance or assignment of its title or interest; or

(C) The release from all unaccrued obligations under this Agreement of any leaseback lessor under a Sale and Leaseback which shall have acquired possession through termination or expiration of the leaseback, upon the sale, transfer, conveyance or assignment of its title or interest.

In the event of any termination or expiration of the interest of the leaseback lessee or any surrender thereof to the leaseback lessor or any nominee of the leaseback lessor which shall hold said interest for the benefit of such leaseback lessor, the leaseback lessor or its successors and assigns shall (notwithstanding any language in the leaseback document or any other instrument, or in any instrument or surrender, preventing the merger of title in said leaseback lessor and notwithstanding the fact that such surrender may be made to such a nominee of the leaseback lessor) be liable for the performance of the thereafter accruing obligations under the terms of this Agreement.

Section 16.20 Entire Agreement. This Agreement and the Exhibits hereto contain all, the representations and the entire agreement between Operator and the Parties with respect to the subject matter hereof. Except as provided in the paragraph immediately preceding Article 1, any prior correspondence, memoranda or agreements are superseded in total by this Agreement and

Exhibits hereto. The provisions of this Agreement shall be construed as a whole according to their common meaning and not strictly for or against any Party or Operator. Operator acknowledges that Developer may be entering into separate agreements with each of Macy and Arena Co. and that such separate agreements may confer on Macy and Arena Co., respectively, certain rights, as between Developer and such Party, relating to the terms of this Agreement, including, but not limited to, the exercise of Developer's approval rights under this Agreement; provided however, that such separate agreements shall not bind Operator or City. The Parties acknowledge that City and Arena Co. and/or their Affiliates have entered into separate agreements, including but not limited to the Parking Management Agreement and the Arena Tract Lease (which Parking Management Agreement and Arena Tract Lease shall at all times be subordinate to this Agreement), and may in the future enter into separate agreements with each other and that such separate agreements may confer on the signatories to such separate agreements certain rights, as between such signatories, relating to the terms of this Agreement; provided however, that (a) such separate agreements shall not bind any other Parties to this Agreement or limit the obligations of City or Arena Co. to the other Parties to this Agreement, and (b) nothing in this Agreement shall limit the obligations of City and Arena Co. to each other under such separate agreements.

ARTICLE 17 DEFINITIONS

As used in this Agreement, references to "Articles," "Sections" and "Exhibits" are references to such portions of this Agreement. Listed below are most of the terms used in this Agreement with their particular meanings or with a reference to the portion of this Agreement where such definitions may be found. Unless otherwise denoted, a defined term shall include, where appropriate to the context, the noun (singular and plural), verb and adjective forms of the term.

Affiliate. An "Affiliate" shall mean a Person that Controls, is Controlled by or is under common ownership or Control with another Person.

Agreement. See Introductory Paragraph.

Arena Co. The term "Arena Co." means Sacramento Downtown Arena LLC, a Delaware limited liability company, and any Transferee thereof.

Arena Co. Building. See Recital F.

Arena Co. Tract. See Recital F.

Arena Tract Lease. See Recital C.

CEA. See Recital K.

City. See Recital B.

COMA. See Recital K.

construction. See Section 10.4

City. The term “City” means the City of Sacramento, a municipal corporation of the State of California, or any Transferee thereof.

Contracting Party. See Section 10.7

Control. “Control” shall mean the power, exercisable jointly or severally, to manage and direct a Person through the direct or indirect ownership of partnership or membership interests, corporate stock and/or voting rights.

Cure. When a Party or Operator is in Default, such Party or Operator and its Mortgagee under Section 14.2 shall be permitted a reasonable or otherwise specified amount of time within which to render remedial performance sufficient to correct said Default, which process shall be known as “Cure” At its election, the Party or Operator serving a notice of Default may also serve a demand for Cure either contemporaneously with or subsequent to service of the notice of Default. The time for effecting Cure, unless otherwise specified in this Agreement, shall be thirty (30) days. Except as provided elsewhere in this Agreement to the contrary, where a Default is not capable of Cure within said thirty (30) day or other provided period, a Defaulting Party or Operator (or its Mortgagee) shall be deemed to have Cured the Default if it shall have commenced Cure within the specified time period and shall have prosecuted the Cure continuously and diligently thereafter to completion; provided, however, that if any Cure shall reasonably require possession, a Mortgagee shall have the opportunity, and shall be deemed to be prosecuting the Cure continuously and diligently to completion, if it takes commercially reasonable steps to commence and diligently proceed with foreclosure prior to Cure (with allowance being given if and to the extent that a bankruptcy or similar filing shall have taken place).

DP. See Recital C.

DPS. See Recital C.

Damage. The term “Damage” means the damage or destruction to any improvements caused by any casualty or accident but not caused by condemnation or any form of condemnation.

Default. A “Default” is a Party or Operator’s breach of any of its covenants or obligations under this Agreement. A notice of Default may be accompanied or followed by service of a demand for Cure of the Default. See definition of “Cure.”

Developer. The term “Developer” means SG Downtown LLC, a Delaware limited liability company, or any Transferee thereof; provided, however, if the then current Developer conveys less than all or substantially all of its interest in the Developer Property to a Transferee, for purposes of this Agreement, the “Developer” as to each such Transferred portion of the Developer Property shall be the then current owner of such Transferred portion of the Developer Property.

Developer Improvements. The term “Developer Improvements” means all of the buildings and other improvements, including plaza area and common area improvements, located on the Developer Property, as the same may exist from time to time, including any replacements thereof.

Developer Property. See Recital D. The Developer Property is comprised of the “Developer Tract” and the “Developer Adjacent Property,” as those terms are defined in the COMA.

Floor Area. The aggregate, from time to time, of the actual number of square feet of floor space on all floors in any structure located on the Project Site (other than the structure on the Arena Co. Tract, to which this definition does not apply), whether or not it is roofed or occupied, including basements, subterranean areas, balconies and mezzanines, which is measured from the exterior faces or exterior lines of the exterior walls (including basement walls) and from the center line (as opposed to exterior face) of party and interior common walls. “Floor Area” does not include any of the following:

- (a) the upper levels of any multi-deck stock areas created for convenience to increase the usability of space for stock purposes;
- (b) areas which are used exclusively to house mechanical (including mechanical penthouses), electrical (including electrical equipment to operate point of sale equipment), telephone, HVAC and other such building operating equipment, and computer rooms housing equipment to operate point-of-sale terminals (including a computer data room), and trash-compacting and baling rooms, whether physically separate or whether otherwise required by building codes;
- (c) any portion of the plaza area;
- (d) any (i) Shopping Center management office and/or (ii) merchants’ association or promotional office, to the extent that the aggregate area of the foregoing offices does not exceed three thousand (3,000) square feet;
- (e) emergency exit corridors or stairs between fire-resistant walls required by building codes; and
- (f) all truck loading areas, truck tunnels, truck parking, turn-around and dock areas, and ramps and approaches thereto.

Upon request, Developer shall submit to Operator the architectural as-built plans of the Developer Improvements to enable Operator to confirm the Floor Area of the same.

Former Macy. See Recital B.

Garage(s), Garage G, Garage K and Garage U. See Recital H. The term “Garages” means Garage G, Garage K and Garage U, collectively. The Garages include all driveways and ramps within the City Tract which lead to or are a part of the Garages, all areas for the passage and parking of motor vehicles and all areas related thereto for the passage and accommodation of pedestrians, including, in the case of Lot G, such related areas as are located within Lot G but outside of Garage G. The Garages also include all stairways (to the top of stair riser) between Levels P-2 and Plaza, walkways within Garages, passenger elevators between Levels P-2 and Plaza and escalators (to the top of the escalator landing) between Levels P-2 and Plaza. All loading docks, loading areas and service or freight elevators relating to overlying improvements

are specifically excluded from the Garages. The parking area under the proposed practice facility on the Arena Co. Tract is not a “Garage” and is subject to exclusive use by Arena Co. and its Affiliates except as otherwise set forth in the Parking Operation Plan or as otherwise expressly permitted in writing by Arena Co.

Implementation Date. The term “Implementation Date” means that date which is the later of (i) the date Developer notifies Operator and the Parties in writing of the date (the “Scheduled Grand Re-Opening Date”) by which Developer, in its good faith reasonable judgment, anticipates that the Project will be sufficiently completed to allow a grand re-opening, or (ii) the date ninety (90) days prior to the Scheduled Grand Re-Opening Date.

Indemnify. The term “Indemnify” means indemnify, protect and defend, with counsel approved by Indemnitee on thirty (30) days’ notice in accordance with Section 16.5.C, the Indemnitee and its Affiliates and their respective officers, directors, partners, members, agents, servants and employees from and against all loss, claims, actions, proceedings, liability, damages, cost or expense (including Indemnitee’s reasonable attorney fees) resulting from the death of any Person or the injury or damage to any Person or any property occurring in, on or about a specified location in the Project and arising out of the Indemnitor’s specified duties or conduct. “Indemnify” shall include the requirement that the Indemnitee give the Indemnitor notice of any circumstances known to the Indemnitee entitling the Indemnitee to indemnity pursuant to this Agreement. No Party or Operator shall be obligated to Indemnify another Party or Operator where the claim or loss underlying Indemnitee’s request for indemnity (a) was caused by the active negligence of Indemnitee, or (b) was caused by such willful, intentional or wanton act or omission of Indemnitee as shall constitute an “occurrence” excluded from coverage under standard California commercial general liability and property damage insurance policies as they may exist from time to time. Notwithstanding the foregoing, such indemnities hereunder shall not include consequential or punitive damages.

Indemnitor. See Section 8.1.

Interest Rate. See Section 16.10.

Interim Operation Agreement. See Recital I.

Liened Party. See Section 10.7.

Lot G, Lot K and Lot U. See Recital G.

Macy. The term “Macy” means Macy’s West Stores, Inc., an Ohio corporation, successor to Macy’s California, Inc., a Delaware corporation, and any Transferee thereof.

Macy Building. See Recital E.

Macy Tract. See Recital E.

Mortgage; Mortgagor; Mortgagee; Sale Leaseback. The term “Mortgage” means an indenture of mortgage, a deed of trust on a Tract, or a Sale and Leaseback of the entire interest of a Party or Operator (“Mortgagor”) in its Tract. “Mortgagee” means (a) the trustee and beneficiary or

mortgagee under a Mortgage or (b) the fee owner or lessor following a Sale and Leaseback, provided said Persons are not in possession of the subject Tract. A “Sale and Leaseback” means a transaction in which (a) a Party or Operator, who is the fee owner of its Tract, conveys the fee or a leasehold estate in such Tract for financing purposes and immediately thereafter the Party or Operator, its Affiliate or the guarantor of such Party or Operator’s covenants, agreements and obligations under this Agreement, leases or subleases the Tract, or (b) a Party or Operator, who holds a leasehold estate in its Tract, assigns said estate or subleases the Tract for financing purposes and immediately thereafter the Party or Operator, its Affiliate or the guarantor of such Party or Operator’s covenants, agreements and obligations under this Agreement subleases the Tract.

Named Insured. See Section 8.4.

Northern California. The term “Northern California” means all of the California counties north of and including Santa Cruz, Santa Clara, Stanislaus, Tuolumne, and Alpine Counties.

Occupant. The term “Occupant” means Developer, Macy, Arena Co. and any Person from time to time entitled to use and occupy space in the Project under any lease, deed or other instrument or arrangement.

Official Records. The term “Official Records” shall mean the Official Records of the office of the County Recorder of Sacramento County.

Operate. The term “Operate” means the maintenance, repair and operation of the Garages in accordance with Sections 2.2 and 2.3 of this Agreement and the Parking Operation Plan attached to this Agreement.

Operator. The term “Operator” means Arena Co. (or its assignee pursuant to Section 2.5); provided, however, that in the event the Parking Management Agreement expires or is earlier terminated, City shall thereupon become Operator. Developer and Macy shall have the right to approve any other successor Operator, which approval shall not be unreasonably withheld.

Parking Management Agreement. See Recital I.

Parking Operation Plan. See Section 1.1.

Party. The term “Party” means any of the following: Developer, Macy, Arena Co., and City and any of their respective Transferees, subject to the provisions of this definition with respect to Transfers of partial, undivided interests in a Tract. The conditions, covenants and restrictions of this Agreement shall be binding upon and enforceable by Developer, Macy, Arena Co. and City only during and with respect to the time periods in which each, respectively (either alone or in conjunction with other Persons), is a Party.

The Parties hereby acknowledge that the City owns fee title to the Arena Co. Tract and the City Tract and therefore has a current interest in this Agreement. Although City is a Party, it shall be entitled only to such rights and be subject only to such obligations to the extent City is expressly allocated rights or obligations under this Agreement or the Parties generally (as distinguished from specific Parties) are allocated rights or obligations under this Agreement, until

such time as City succeeds to the rights and obligations of Arena Co. as set forth in (2) and (3) below. City specifically, by executing this Agreement, hereby (1) subjects its fee interest in the Arena Co. Tract, the City Tract and the Sliver to this Agreement; (2) agrees to be the successor to Arena Co. under this Agreement as to the Arena Co. Tract after the expiration or earlier termination of the Arena Tract Lease (unless Arena Co. exercises an option to purchase the Arena Co. Tract); and (3) agrees to be the successor to Arena Co. as Operator under this Agreement after the expiration or earlier termination of the Parking Management Agreement.

A Mortgagee shall not be deemed to be the Party with respect to a Tract except to the extent such Mortgagee has a possessory interest in the Tract. The Mortgagee shall become the Party following an Involuntary Transfer but only so long as it retains the entire possessory interest in such Tract. See definition of "Transfer; Involuntary Transfer."

A Transferee of any of the following partial interests shall be treated, together with all similar Transferees, as a single Party with respect to the Tract:

A. Any partial, undivided interest in a Party's Tract; provided, however, that a Transfer of a legally subdivided portion of a Party's Tract shall create a new Party and a permitted Transferee;

B. Any partial, undivided interest in all of a Party's Tract or Tracts, such as may be held by joint tenancy or tenancy-in-common or as a life estate, but not including a partnership interest in a partnership (or a membership interest in a limited liability company) holding all of the interests in such Tract; or

C. Any partial, undivided interest, legal or equitable, in the assets of any Party that is a Person other than an individual, which interest is not an interest in the Party's Tract, such as a beneficial interest in a Party which is a trust.

Where any Transfer of partial, undivided interests occurs as described in Subparagraphs A, B or C, the Persons owning not less than seventy percent (70%) of the Tract or Tracts, or seventy percent (70%) of the shares of the entire estate in the Tract or Tracts, or seventy percent (70%) of the Party's assets not constituting an interest in the Tract or Tracts, shall designate one of their number as such Party's agent (called "Party's Agent" for purposes of this definition) to act on behalf of all Persons holding such interests, shares or assets so that other Parties shall not be required with respect to said Tract or Tracts to obtain the action or Agreement of, or to proceed against, more than one individual or entity in carrying out or enforcing the terms, covenants, provisions and conditions of this Agreement. Such designation shall not be effective until such time as written notice of the designation is recorded in the Official Records and a copy thereof given to the Parties as required by Section 14.1. Any interest owned by any Person who is a minor or is otherwise suffering under any legal disability shall be disregarded in the making of such designation unless there is at such time a duly appointed guardian or other legal representative fully empowered to act on behalf of such Person. The foregoing requirements to designate a Party's Agent shall not apply to stockholders and bondholders of a corporate Party. In the cases of estates for life or years, only the life tenants or tenants for years shall, for purposes of this definition, be deemed to own the interests in the Tract or Tracts and their determination hereunder shall be final and binding on the remaindermen and, if created by way of trust, final and binding on

such trust, trustor, trustee and beneficiaries. Where the circumstances described in Subparagraph C arise, the Person owning each such interest shall nevertheless be deemed to own a percentage interest of the whole of the Tract or Tracts, or portion thereof, as the case may be, which percentage shall be equal to the percentage interest of such Person in the entity or entities comprising the Party.

Where the Transfer is of partial interests as described above but the Persons owning such partial interests fail to designate the Party's Agent, the acts of the Person who was the Party prior to the Transfer (whether or not such Party retains any interest in the Tract or Tracts in question) shall be binding on all Persons having an interest or right in said Tract or Tracts, until such time as the Party's Agent is designated as provided above. Where the circumstances requiring designation of a Party's Agent arise, all of the other Parties acting jointly or, failing such joint action, any other Party at any time may designate another Party's Agent if any of the following conditions exist:

D. At any time after any designation of a Party's Agent, there shall for any reason be no duly designated Party's Agent of whose appointment all other Parties have been notified;

E. Within thirty (30) days after any other Party shall become aware of any change in the ownership of any portion of the Project or any change in the structure of a Party requiring a change in the designated Party's Agent, no Party's Agent has been designated or notice of such designation (or of such change, if no partial interests have been Transferred) has not been given; or

F. The designation of such Party's Agent earlier than the expiration of the thirty (30) day period described in Subparagraph E above shall be reasonably necessary to enable any other Party to comply with any of its obligations under this Agreement or to take any other action which may be necessary to carry out the purposes of this Agreement.

The exercise of any powers and rights of a Party under this Agreement by such Party's Agent shall be binding upon all Persons having an interest or right in the Party's Tract and upon all Persons having an interest in the Party in question, to the same extent as if such exercise had been performed by the Party. The other Parties shall have the right to deal with and rely solely upon the acts and omissions of such Party's Agent in connection with their performance of this Agreement, but such designation of a Party's Agent shall not relieve any Party from its obligations under this Agreement.

A Party's Agent shall be the authorized agent of its principals for service of any process, writ, summons, order or other mandate of any nature of any court in any action, suit or proceeding arising out of this Agreement. Service upon such Party's Agent shall constitute due and proper service of any such matter upon its principals. Until a successor Party's Agent has been appointed and notice of such appointment has been given pursuant to the provisions of this definition, the designation of a Party's Agent shall remain irrevocable.

Permittee. The term "Permittee" means any Occupant and its respective officers, directors, employees, agents, contractors, customers, visitors, invitees, licensees and concessionaires.

Person. The term "Person" means an individual, partnership, limited liability company, firm, association and corporation, or any other form of business or government entity.

Prior POMA. See Recital B.

Project. See Recital K.

Project Site. See Recital K.

Regional Transit. See Article 7.

Rules and Regulations. See Article 6.

Scheduled Grand Re-Opening Date. The term “Scheduled Grand Re-Opening Date” is defined above within the definition of “Implementation Date.”

Store. The term “Store” means all portions of the building(s) and improvements (including replacements), whether or not used for retail purposes, that exist or are constructed from time to time on a Party’s Tract, excluding Garages, plazas and other common facilities.

Taking. See Section 11.1.

Termination Date. The term “Termination Date” means the date, as to each Tract, on which this Agreement shall terminate in whole or in part, pursuant to the terms and provisions of Article 12.

Tract. The term “Tract” means the “Developer Property” and/or the “City Tract” and/or the “Macy Tract” and/or the “Arena Co. Tract,” including all improvements whenever constructed thereon, as defined in the Recitals.

Transfer; Involuntary Transfer. A “Transfer” is any voluntary transaction in which a Person, including an Involuntary Transferee (see below) (“Transferor”), shall sell, lease, transfer or assign, other than for security purposes, all or substantially all of its interests in its Tract or a subdivided portion thereof together with all of its rights under this Agreement with respect to the portion transferred to a Person or Persons (“Transferee”) who shall expressly assume, by duly-executed and acknowledged written instrument in recordable form served on all Parties in accordance with Section 16.19, all of Transferor’s covenants, duties and obligations under this Agreement with respect to the portion transferred. A Transfer shall be deemed to have occurred with any change of “Control” of a Person. A Transfer shall also include an expiration or cancellation of a lease (also see Section 16.19).

An “Involuntary Transfer” is the conveyance or reversion of title to a Tract (or portion thereof) from a Mortgagor (“Involuntary Transferor”) to a Mortgagee (“Involuntary Transferee”) resulting from any of the following: completion of a judicial or nonjudicial foreclosure of the Mortgage; grant of a deed in lieu of such foreclosure; expiration, termination or surrender of a leaseback in a Sale and Leaseback (see “Mortgage”); or the termination of a lease due to the tenant’s default thereunder; provided, however, in the event of such an Involuntary Transfer, the Involuntary Transferor shall be deemed to have assigned all of its rights, powers, title and interest in its Tract and this Agreement to the Involuntary Transferee who shall be deemed to have assumed all of the Involuntary Transferor’s covenants and obligations thereunder accruing from and after the Involuntary Transfer (also see Section 16.19).

Weinstock's. See Recital B.

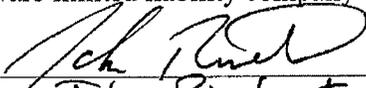
Work. See Section 10.3.

[SIGNATURES ARE ON NEXT PAGE]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the day and year first above written.

“Developer”

SG DOWNTOWN LLC,
a Delaware limited liability company

By: 
Name: John Rinehart
Title: CFO

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

"Macy"

MACY'S WEST STORES, INC., an
Ohio corporation

By:

Name: CARL L. COONTEMOELLER
Title: SR. VICE PRESIDENT

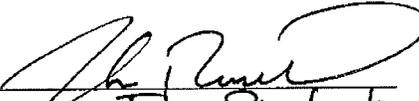
[SIGNATURES CONTINUE ON FOLLOWING PAGE]

[Signature Page to Parking Operation and Maintenance Agreement]

“Arena Co.”

SACRAMENTO DOWNTOWN ARENA LLC,
a Delaware limited liability company

By: Sacramento Basketball Holdings LLC,
a Delaware limited liability company,
Its Sole Member

By: 
Name: John Rinehart
Title: CFO

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“City”

CITY OF SACRAMENTO,
a municipal corporation
of the State of California

By: _____

Name: _____

Title: _____

[END OF SIGNATURES]

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

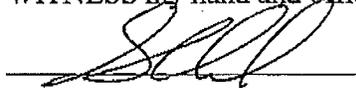
WITNESS my hand and official seal.

Notary Public

STATE OF OHIO)
)
COUNTY OF HAMILTON)

On JULY 11, 2014, before me, GARY A. WEBB, a Notary Public, personally appeared CARL L. GOENKWOELTE, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Notary Public

GARY A. WEBB, Attorney
NOTARY PUBLIC - STATE OF OHIO
My Commission Has No Expiration Date
Section 147.02 R.C.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

EXHIBIT A

[see attached]

EXHIBIT A

PART 1A

Lots 2,3,4,5,6,7,11,12,15,16,17,18,20,21,25,26,27,28,29,30,31,32,33,34,37,38,39,40,42, 43,44,45,47, 48, and 49 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

At such time as any of the Lots referenced above are: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the Developer Tract shall be deemed modified to reflect such the lot lines shown on the final map.

PART 1B

DEVELOPER ADJACENT PROPERTY

Lots 8,9,10,13,14,19,35,36,41,46,50,51,52 and 53 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

At such time as any of the Lots referenced above are: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the Developer Adjacent Property shall be deemed modified to reflect such the lot lines shown on the final map.

PART 1C

GROUND LEASED TRACT

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

ALL THAT CERTAIN PROPERTY AND SPACE CONTAINED WITHIN PARCEL NO. 1, AS SAID PARCEL IS SHOWN ON THAT CERTAIN AMENDED PARCEL MAP ENTITLED "PORTION OF BLOCK BOUNDED BY 5TH STREET, 6TH STREET, "K" STREET AND "L" STREET AND PORTION OF 5TH STREET, AS SAID BLOCKS AND STREETS ARE SHOWN ON THAT CERTAIN RECORD OF SURVEY ENTITLED "CERTAIN BLOCKS IN AREA BOUNDED BY 'J' AND 'N' STREETS, 2ND AND 8TH STREETS, CITY OF SACRAMENTO", RECORDED IN BOOK 18 OF SURVEYS, MAP NO. 2, SACRAMENTO COUNTY RECORDS, SAID AMENDED PARCEL MAP BEING RECORDED June 19, 1967, IN THE OFFICE OF THE RECORDER OF SACRAMENTO COUNTY IN BOOK 1 OF PARCEL MAPS, AT PAGE 55.

ASSESSOR'S PARCEL NUMBER: 006-0087-061-0000

PART 2

MACY TRACT

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF AND IS DESCRIBED AS FOLLOWS:

All that certain real property lying in or about the block bounded by K, L, 4th and 5th Streets, according to the official Map or Plat of the City of Sacramento, and as specifically on that Record of Survey entitled "Certain Blocks in the Area Bounded by J and P Streets, 3rd and 8th Streets, City of Sacramento, " recorded in the office of the Recorder of Sacramento County, in Book 13 of Surveys, Map No. 18, more particularly described as follows:

BEGINNING at the point of intersection of the northerly line of L Street with the westerly line of 5th Street, said point of beginning being further described as being located North $18^{\circ} 29' 20''$ East 40.00 feet and North $71^{\circ} 37' 21''$ West 40.00 feet from an aluminum disc set in concrete stamped L.S. 2651-1958, said monument marking the point of intersection of the centerline of said L street with the centerline of said 5th Street; thence from said point of beginning along the westerly line of said 5th Street, North $18^{\circ} 29' 20''$ East 356.23 feet; thence along a line parallel to and 15.00 feet northerly from the southerly line of said K Street North $71^{\circ} 36' 57''$ West 331.44 feet; thence along a line parallel with and 10.00 feet westerly from the easterly line of said 4th Street South $18^{\circ} 28' 20''$ West 356.27 feet to the westerly projection of the northerly line of said L Street; thence along the westerly projection of and the northerly line of said L Street, South $71^{\circ} 37' 21''$ East 331.34 feet to the point of beginning.

APN: 006-0087-046-0000

PART 3

ARENA CO TRACT

All that certain real property situate in the City of Sacramento, County of Sacramento and State of California described as follows:

Being all of Lot 1 as said lot is shown and delineated on that certain Parcel Map recorded _____, 2014 in Book _____ of Maps at Page _____, Sacramento County Official Records.

PART 4

CITY TRACT

PART 4A

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

All that portion of Parcel B as shown on the Parcel Map entitled "Portion of Block Bounded by 3rd, 5th, J & L Streets", filed in the office of the Recorder of Sacramento County, California, on October 26, 1977, in Book 35 of Parcel Maps, Map No. 34, described as follows:

Beginning at the most Southerly corner of Parcel B; thence from said point of beginning, along the boundary of said Parcel B, the following six (6) courses and distances: (1) North 71° 35' 22" West 391.02 feet; (2) North 18° 28' 35" East 455.27 feet; (3) South 71° 37' 09" East 320.96 feet; (4) North 18° 28' 07" East 137.32 feet; (5) South 71° 36' 35" East 40.00 feet; (6) South 71° 30' 59" East 24 feet; thence South 18° 28' 07" West 59.12 feet; thence North 71° 31' 53" West 9.00 feet; thence South 18° 28' 07" West 99.58 feet; thence North 71° 31' 53" West 8.00 feet; South 18° 28' 07" West 46.25 feet; South 26° 31' 53" East 30.14 feet; thence South 71° 37' 08" East 1.67 feet to the boundary of Parcel B; thence along said boundary South 18° 28' 06" West 356.47 feet to the point of beginning.

EXCEPTING THERFEROM all that portion of Lot G, as described in that certain Corporation Grant Deed filed in Book 901219, Official Records, Page 703 in the office of the Recorder of said County, being also a portion of Parcel B, as shown on that certain Parcel Map "Portion of Block Bounded by 3rd, 5th, J & L Street" in Book 35, of Maps, Map 34 in the office of the Recorder of said County, described as follows:

Beginning at a point on the easterly line of said Lot G which bears from the southwest corner of said Lot G, North 18°28'35" East, 288.02 feet along the westerly line of said Lot G being also the easterly line of 3rd Street; thence from said Point of Beginning continuing along said easterly line of 3rd Street, North 18°28'35" East, 65.00 feet; thence South 71°37'09" East, 320.96 feet to the westerly line of 4th Street; thence along said westerly line of 4th Street, South 18°28'35" West, 65.00 feet; thence North 71°37'09" West, 320.96 feet to the Point of Beginning

APN: 006-0087-051, 006-0087-055

PART 4B

Lot 22 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

In the event that the Lot referenced above is: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the City Tract shall be deemed modified to reflect such the lot lines shown on the final map.

PART 4C

Lots 23 and 24 as shown on that certain TENTATIVE SUBDIVISION MAP FOR THE LOT MERGER & RE-SUBDIVISION OF A VERTICAL SUBDIVISION & CONDOMINIUM MAP approved by the City of Sacramento on May 20, 2014 and attached hereto for reference.

In the event that any of the Lots referenced above are: (i) subject to a recorded final map and (ii) such final map reflects different lot lines than shown on the attached Tentative Map, then from and after such date, the City Tract shall be deemed modified to reflect such the lot lines shown on the final map.

PART 5

SG TRACT

All that certain real property situate in the City of Sacramento, County of Sacramento and State of California described as follows:

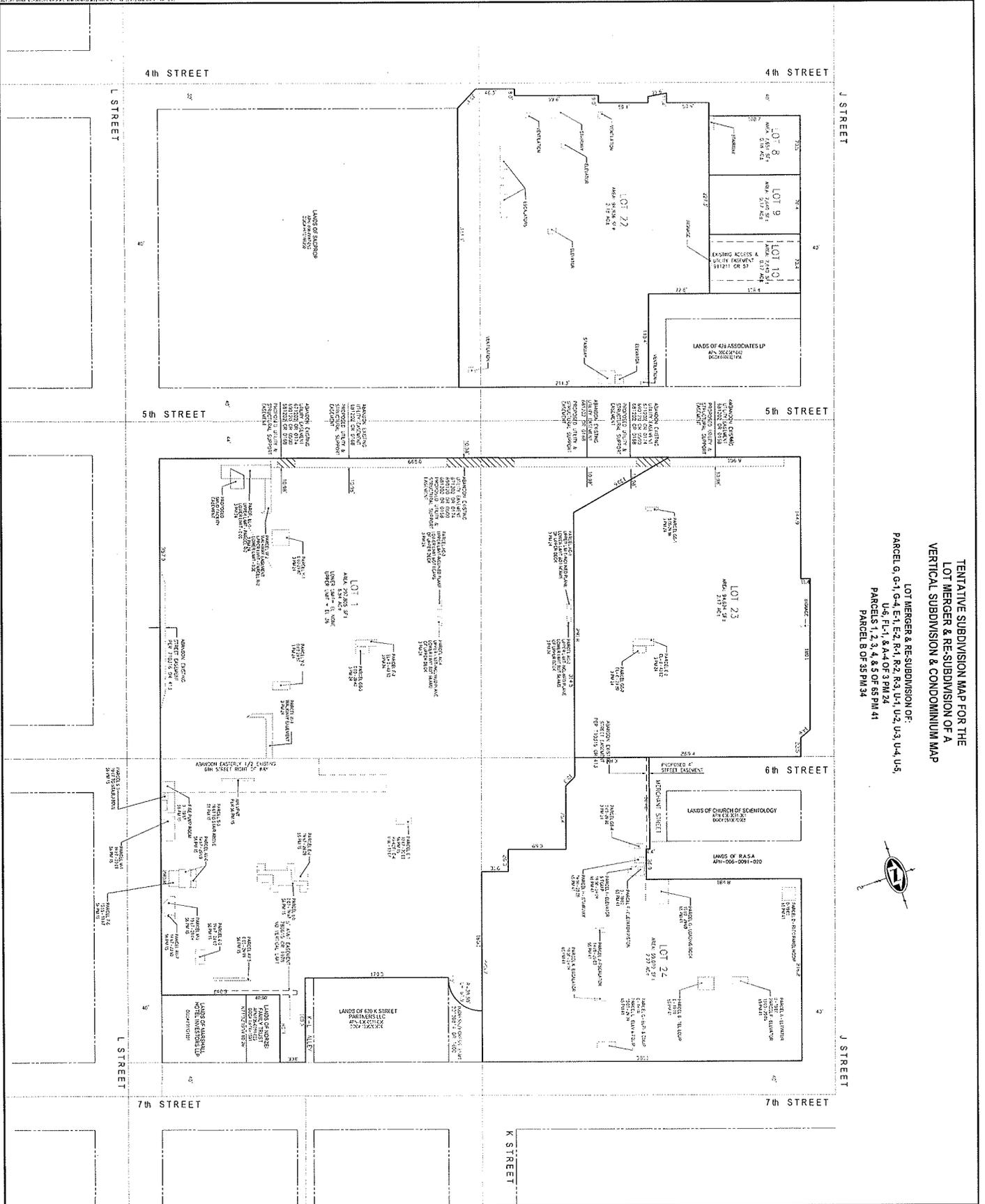
Being all of Lot 1 as said lot is shown and delineated on that certain Parcel Map recorded _____, 2014 in Book _____ of Maps at Page _____, Sacramento County Official Records, but excepting therefrom those portions of Lot 1 that are as of the date hereof (a) owned by the Redevelopment Agency Successor Agency, (b) owned by the City, or (c) on or over which the City has a right of possession.

TENTATIVE MAP PAGES 4-8

LOT PLAN

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E-1, E-2, R-1, R-2, R-3, U-1, U-2, U-3, U-4, U-5,
 U-6, F-1, 1, 8, A-4, 4 OF 3 PM 24
 PARCELS 1, 2, 3, 4, & 5 OF 5 PM 41
 PARCEL B OF 5 PM 34



mp
 MORTON & PITALO, INC.
 LAND AND CONSTRUCTION SERVICES
 10000 N. 10TH AVENUE, SUITE 100
 DENVER, CO 80231
 TEL: 303.751.1000
 FAX: 303.751.1001
 WWW.MORTONANDPITALO.COM

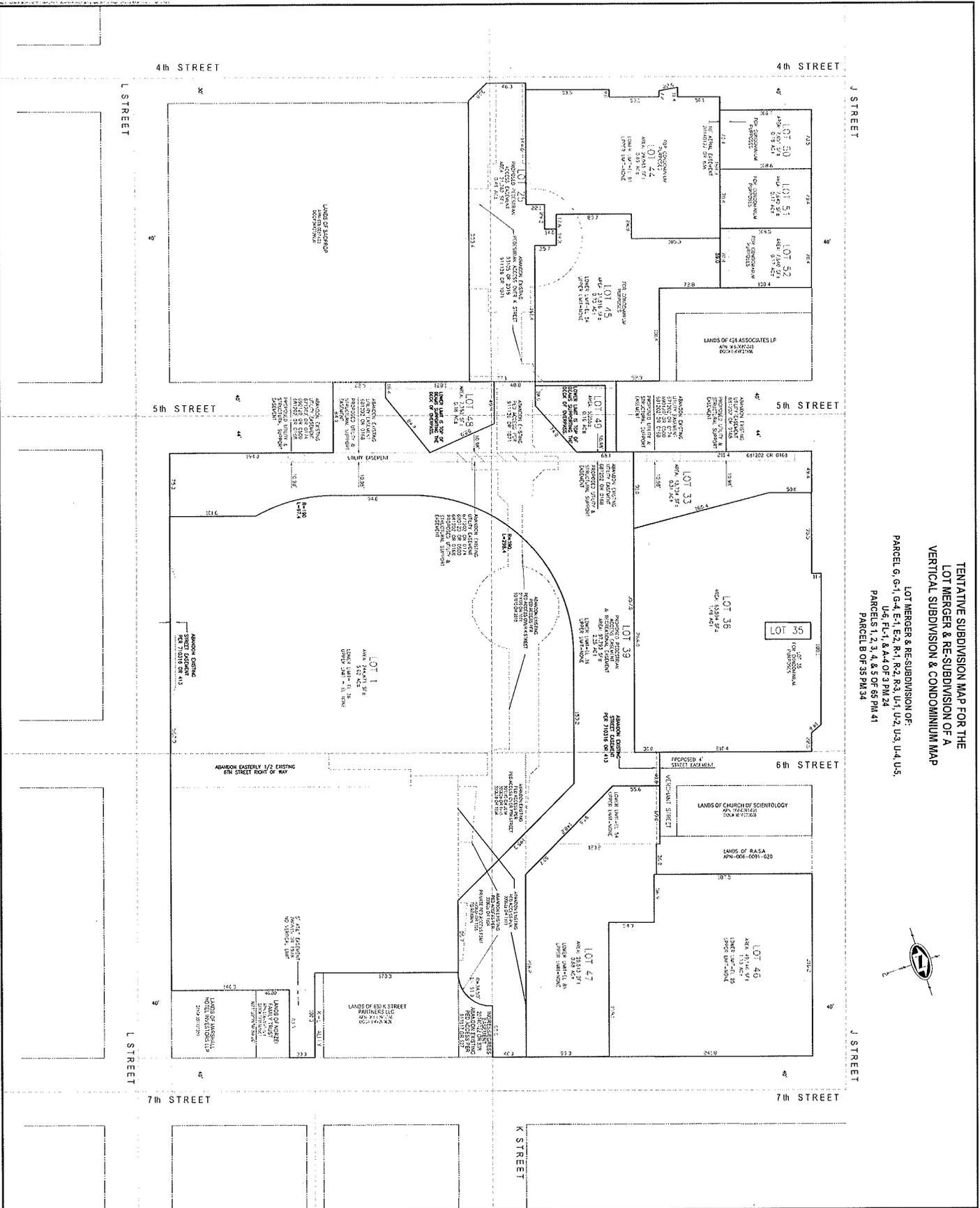
REVIEWED BY:
 DATE:
 APPROVED BY:
 DATE:

PHASED TENTATIVE
 SUBDIVISION MAP
 ELEVATION 27 TO 31'
 5
 1540608

TENTATIVE MAP
 SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT
 SACRAMENTO, CA

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E-1, E-2, K-1, K-2, K-3, U-1, U-2, U-3, U-4, U-5,
 U-6, F1-1, & A-4 OF 3 PM 24
 PARCELS 1, 2, 3, 4, & 5 OF 85 PM 41
 PARCEL B OF 35 PM 34



mp
 HORTON & PHALO, INC.
 CIVIL ENGINEERS & ARCHITECTS
 12000 W. 10TH AVENUE, SUITE 100
 DENVER, CO 80202

TENTATIVE MAP
 SACRAMENTO
 ENTERTAINMENT &
 SPORTS CENTER
 DISTRICT
 SACRAMENTO, CA

1	BY LAYING HEREON THE MERGER, RE-SUBDIVISION
2	OF LOTS 48 & 49 INTO LOT 32 AND LOTS 46 & 47
3	INTO LOT 41 AND THE RE-SUBDIVISION OF LOTS 32
4	AND 41 INTO LOTS 33, 34, 35, 36, 37, 38, 39, 40,
5	42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52,
6	AND THE PROPOSED 4' STEEL EASEMENT
7	AS SHOWN ON THIS MAP.
8	APPROVED FOR THE CITY OF SACRAMENTO
9	ON 03/14/2014.
10	BY THE CITY ENGINEER.
11	APPROVED FOR THE COUNTY OF SACRAMENTO
12	ON 03/14/2014.
13	BY THE COUNTY ENGINEER.

PHASED TENTATIVE
 SUBDIVISION MAP
 ELEVATION 54' TO 139'

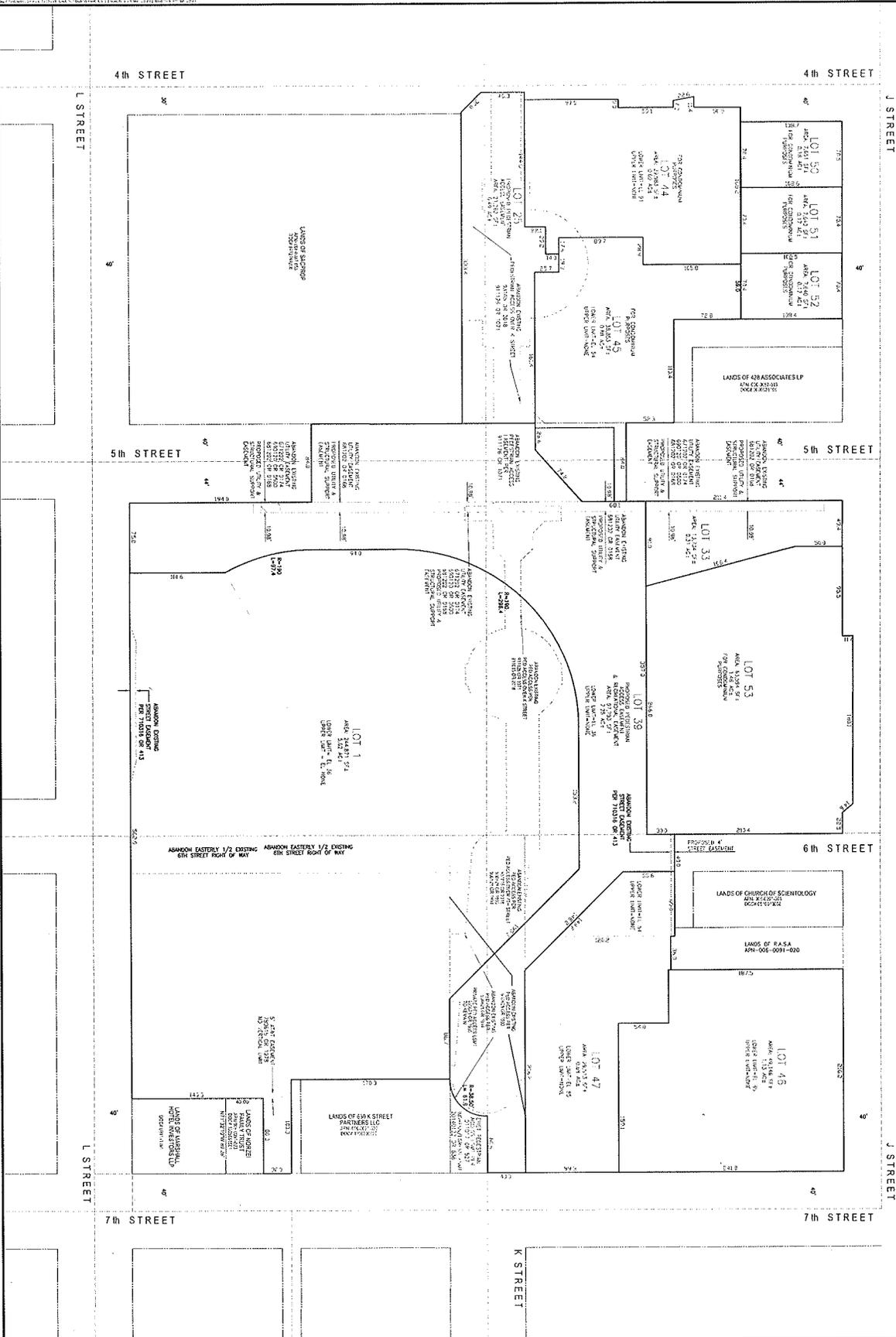
21 MARCH 2014

7

1

TENTATIVE SUBDIVISION MAP FOR THE
 LOT MERGER & RE-SUBDIVISION OF A
 VERTICAL SUBDIVISION & CONDOMINIUM MAP

LOT MERGER & RE-SUBDIVISION OF:
 PARCEL G, G-1, G-4, E, E-2, R-1, R-2, R-3, U-1, U-2, U-3, U-4, U-5,
 U-6, U-7, U-8, U-9, U-10, U-11, U-12, U-13,
 PARCELS 1, 2, 3, 4, 5 & 6 OF 657PH 41
 PARCEL B OF 35 PH 34



mp
 MORTON & PITALO, INC.
 10000 W. 10th Street, Suite 100
 Los Angeles, CA 90024
 (310) 440-1111
 www.mortonandpitalo.com

DATE: 2/14/20
 SHEET: 8 OF 1
 PROJECT: SACRAMENTO ENTERTAINMENT & SPORTS CENTER DISTRICT

TENTATIVE MAP
SACRAMENTO
ENTERTAINMENT &
SPORTS CENTER
DISTRICT
 SACRAMENTO, CA

PREPARED BY:
 ENGINEER:
 ARCHITECT:
 SURVEYOR:

1. TO PROVIDE FOR THE MERGER, RE-SUBDIVISION AND RE-CONVEYANCE OF THE LANDS SHOWN ON SHEETS 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000, 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, 1009, 1010, 1011, 1012, 1013, 1014, 1015, 1016, 1017, 1018, 1019, 1020, 1021, 1022, 1023, 1024, 1025, 1026, 1027, 1028, 1029, 1030, 1031, 1032, 1033, 1034, 1035, 1036, 1037, 1038, 1039, 1040, 1041, 1042, 1043, 1044, 1045, 1046, 1047, 1048, 1049, 1050, 1051, 1052, 1053, 1054, 1055, 1056, 1057, 1058, 1059, 1060, 1061, 1062, 1063, 1064, 1065, 1066, 1067, 1068, 1069, 1070, 1071, 1072, 1073, 1074, 1075, 1076, 1077, 1078, 1079, 1080, 1081, 1082, 1083, 1084, 1085, 1086, 1087, 1088, 1089, 1090, 1091, 1092, 1093, 1094, 1095, 1096, 1097, 1098, 1099, 1100, 1101, 1102, 1103, 1104, 1105, 1106, 1107, 1108, 1109, 1110, 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1119, 1120, 1121, 1122, 1123, 1124, 1125, 1126, 1127, 1128, 1129, 1130, 1131, 1132, 1133, 1134, 1135, 1136, 1137, 1138, 1139, 1140, 1141, 1142, 1143, 1144, 1145, 1146, 1147, 1148, 1149, 1150, 1151, 1152, 1153, 1154, 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, 1163, 1164, 1165, 1166, 1167, 1168, 1169, 1170, 1171, 1172, 1173, 1174, 1175, 1176, 1177, 1178, 1179, 1180, 1181, 1182, 1183, 1184, 1185, 1186, 1187, 1188, 1189, 1190, 1191, 1192, 1193, 1194, 1195, 1196, 1197, 1198, 1199, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208, 1209, 1210, 1211, 1212, 1213, 1214, 1215, 1216, 1217, 1218, 1219, 1220, 1221, 1222, 1223, 1224, 1225, 1226, 1227, 1228, 1229, 1230, 1231, 1232, 1233, 1234, 1235, 1236, 1237, 1238, 1239, 1240, 1241, 1242, 1243, 1244, 1245, 1246, 1247, 1248, 1249, 1250, 1251, 1252, 1253, 1254, 1255, 1256, 1257, 1258, 1259, 1260, 1261, 1262, 1263, 1264, 1265, 1266, 1267, 1268, 1269, 1270, 1271, 1272, 1273, 1274, 1275, 1276, 1277, 1278, 1279, 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291, 1292, 1293, 1294, 1295, 1296, 1297, 1298, 1299, 1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 1325, 1326, 1327, 1328, 1329, 1330, 1331, 1332, 1333, 1334, 1335, 1336, 1337, 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, 1347, 1348, 1349, 1350, 1351, 1352, 1353, 1354, 1355, 1356, 1357, 1358, 1359, 1360, 1361, 1362, 1363, 1364, 1365, 1366, 1367, 1368, 1369, 1370, 1371, 1372, 1373, 1374, 1375, 1376, 1377, 1378, 1379, 1380, 1381, 1382, 1383, 1384, 1385, 1386, 1387, 1388, 1389, 1390, 1391, 1392, 1393, 1394, 1395, 1396, 1397, 1398, 1399, 1400, 1401, 1402, 1403, 1404, 1405, 1406, 1407, 1408, 1409, 1410, 1411, 1412, 1413, 1414, 1415, 1416, 1417, 1418, 1419, 1420, 1421, 1422, 1423, 1424, 1425, 1426, 1427, 1428, 1429, 1430, 1431, 1432, 1433, 1434, 1435, 1436, 1437, 1438, 1439, 1440, 1441, 1442, 1443, 1444, 1445, 1446, 1447, 1448, 1449, 1450, 1451, 1452, 1453, 1454, 1455, 1456, 1457, 1458, 1459, 1460, 1461, 1462, 1463, 1464, 1465, 1466, 1467, 1468, 1469, 1470, 1471, 1472, 1473, 1474, 1475, 1476, 1477, 1478, 1479, 1480, 1481, 1482, 1483, 1484, 1485, 1486, 1487, 1488, 1489, 1490, 1491, 1492, 1493, 1494, 1495, 1496, 1497, 1498, 1499, 1500, 1501, 1502, 1503, 1504, 1505, 1506, 1507, 1508, 1509, 1510, 1511, 1512, 1513, 1514, 1515, 1516, 1517, 1518, 1519, 1520, 1521, 1522, 1523, 1524, 1525, 1526, 1527, 1528, 1529, 1530, 1531, 1532, 1533, 1534, 1535, 1536, 1537, 1538, 1539, 1540, 1541, 1542, 1543, 1544, 1545, 1546, 1547, 1548, 1549, 1550, 1551, 1552, 1553, 1554, 1555, 1556, 1557, 1558, 1559, 1560, 1561, 1562, 1563, 1564, 1565, 1566, 1567, 1568, 1569, 1570, 1571, 1572, 1573, 1574, 1575, 1576, 1577, 1578, 1579, 1580, 1581, 1582, 1583, 1584, 1585, 1586, 1587, 1588, 1589, 1590, 1591, 1592, 1593, 1594, 1595, 1596, 1597, 1598, 1599, 1600, 1601, 1602, 1603, 1604, 1605, 1606, 1607, 1608, 1609, 1610, 1611, 1612, 1613, 1614, 1615, 1616, 1617, 1618, 1619, 1620, 1621, 1622, 1623, 1624, 1625, 1626, 1627, 1628, 1629, 1630, 1631, 1632, 1633, 1634, 1635, 1636, 1637, 1638, 1639, 1640, 1641, 1642, 1643, 1644, 1645, 1646, 1647, 1648, 1649, 1650, 1651, 1652, 1653, 1654, 1655, 1656, 1657, 1658, 1659, 1660, 1661, 1662, 1663, 1664, 1665, 1666, 1667, 1668, 1669, 1670, 1671, 1672, 1673, 1674, 1675, 1676, 1677, 1678, 1679, 1680, 1681, 1682, 1683, 1684, 1685, 1686, 1687, 1688, 1689, 1690, 1691, 1692, 1693, 1694, 1695, 1696, 1697, 1698, 1699, 1700, 1701, 1702, 1703, 1704, 1705, 1706, 1707, 1708, 1709, 1710, 1711, 1712, 1713, 1714, 1715, 1716, 1717, 1718, 1719, 1720, 1721, 1722, 1723, 1724, 1725, 1726, 1727, 1728, 1729, 1730, 1731, 1732, 1733, 1734, 1735, 1736, 1737, 1738, 1739, 1740, 1741, 1742, 1743, 1744, 1745, 1746, 1747, 1748, 1749, 1750, 1751, 1752, 1753, 1754, 1755, 1756, 1757, 1758, 1759, 1760, 1761, 1762, 1763, 1764, 1765, 1766, 1767, 1768, 1769, 1770, 1771, 1772, 1773, 1774, 1775, 1776, 1777, 1778, 1779, 1780, 1781, 1782, 1783, 1784, 1785, 1786, 1787, 1788, 1789, 1790, 1791, 1792, 1793, 1794, 1795, 1796, 1797, 1798, 1799, 1800, 1801, 1802, 1803, 1804, 1805, 1806, 1807, 1808, 1809, 1810, 1811, 1812, 1813, 1814, 1815, 1816, 1817, 1818, 1819, 1820, 1821, 1822, 1823, 1824, 1825, 1826, 1827, 1828, 1829, 1830, 1831, 1832, 1833, 1834, 1835, 1836, 1837, 1838, 1839, 1840, 1841, 1842, 1843, 1844, 1845, 1846, 1847, 1848, 1849, 1850, 1851, 1852, 1853, 1854, 1855, 1856, 1857, 1858, 1859, 1860, 1861, 1862, 1863, 1864, 1865, 1866, 1867, 1868, 1869, 1870, 1871, 1872, 1873, 1874, 1875, 1876, 1877, 1878, 1879, 1880, 1881, 1882, 1883, 1884, 1885, 1886, 1887, 1888, 1889, 1890, 1891, 1892, 1893, 1894, 1895, 1896, 1897, 1898, 1899, 1900, 1901, 1902, 1903, 1904, 1905, 1906, 1907, 1908, 1909, 1910, 1911, 1912, 1913, 1914, 1915, 1916, 1917, 1918, 1919, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1927, 1928, 1929, 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2

EXHIBIT B

[see attached]

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL, INCL. RESTAURANTS 220,873 SF
 MOVIE THEATER 50,985 SF
 INITIAL PLANNED FLOOR AREA 271,855 SF

HOTEL

Hotel Room Area 82,556 SF
 Hotel C&A 1,448,824 SF

RESIDENTIAL

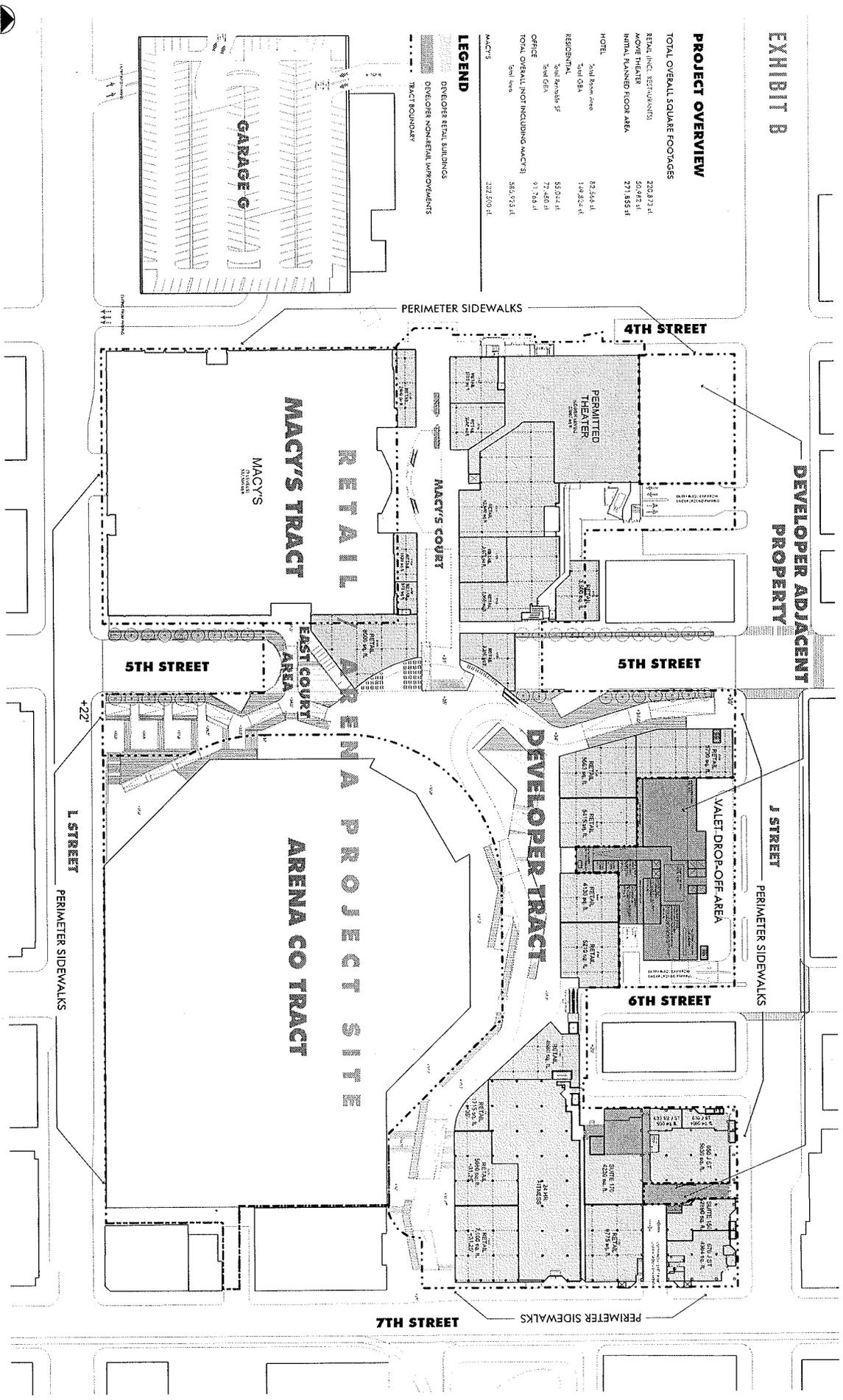
Hotel Apartments 59,014 SF
 Hotel C&A 77,480 SF
 Office 91,726 SF

TOTAL OVERALL (NOT INCLUDING MACY'S) 583,973 SF
 Total Area 202,800 SF

MACY'S 202,800 SF

LEGEND

- DEVELOPER RETAIL BUILDINGS
- DEVELOPER NONRETAIL IMPROVEMENTS
- TRACT BOUNDARY



1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36 FORMAT

MAIN CONCOURSE PLAN (+37'-0")

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

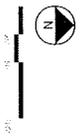
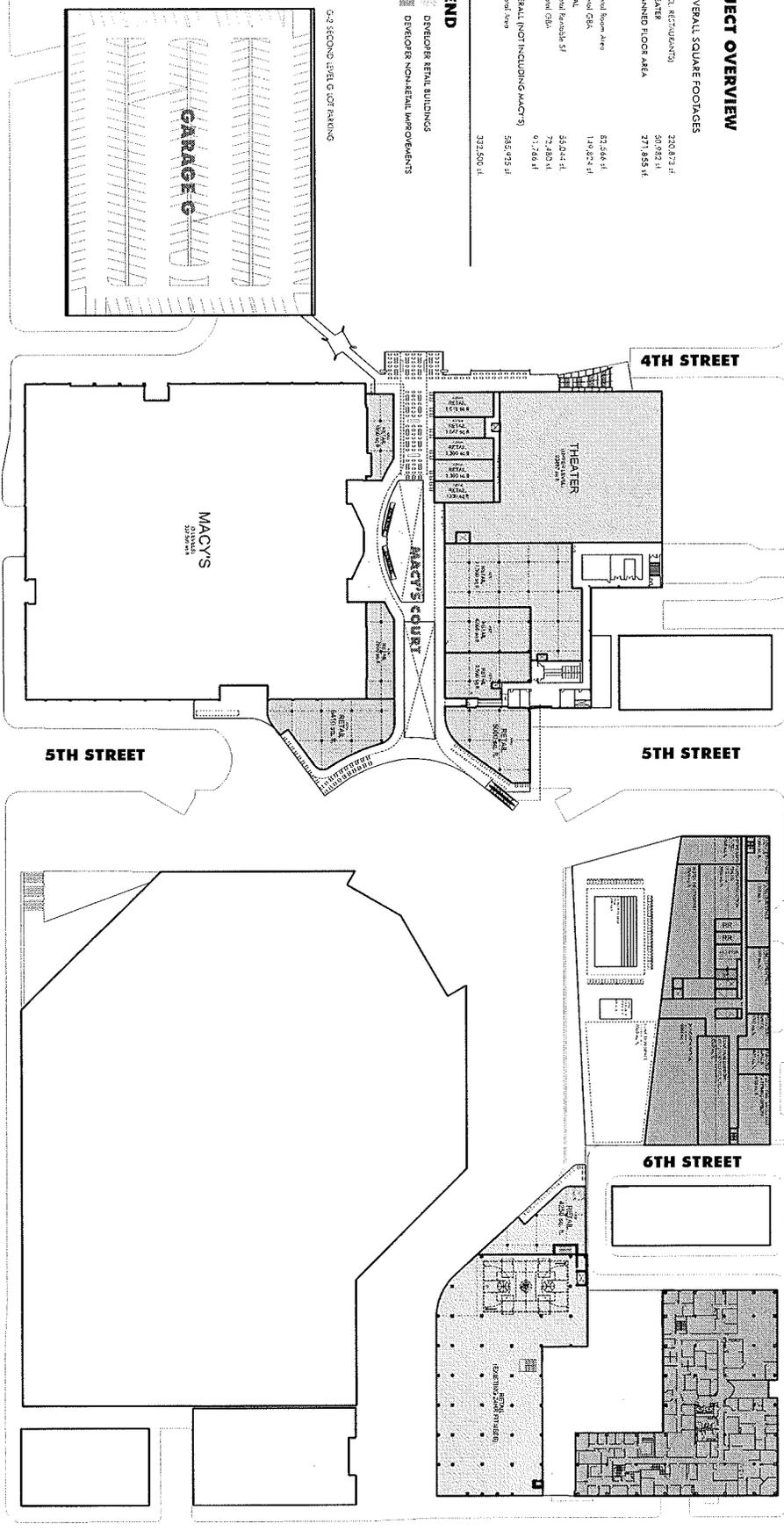
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (INCL. RESTAURANTS)	220,872 SF
MOVIE THEATERS	50,000 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Hotel Room Area	62,566 SF
Hotel CEA	149,824 SF
RESIDENTIAL	
Hotel Roomable SF	55,644 SF
Hotel CEA	72,480 SF
OFFICE	
Hotel Room	91,266 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	
Hotel Room	55,645 SF
MACYS	332,500 SF

LEGEND

- DEVELOPER RETAIL BUILDINGS
- DEVELOPER NON-RETAIL IMPROVEMENTS



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

SECOND LEVEL PLAN (+57'-0")

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

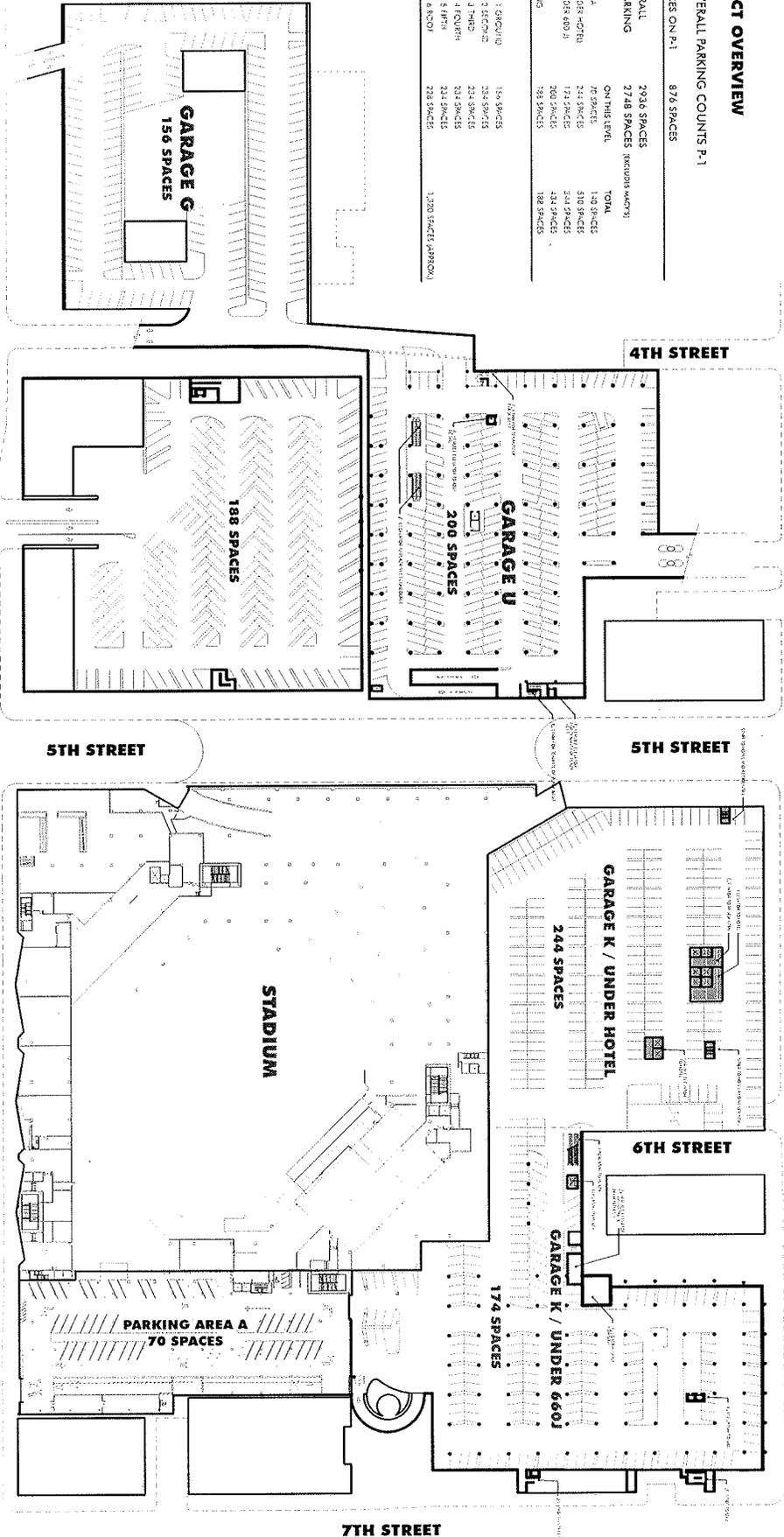
TOTAL OVERALL PARKING COUNTS P-1

TOTAL SPACES ON P-1 876 SPACES

TOTAL OVERALL 2936 SPACES
 PROJECT PARKING 2748 SPACES (EXCLUDES ABOVE)

PARKING LEVEL A
 GARAGE K UNDER HOTEL 244 SPACES
 GARAGE K UNDER 660J 174 SPACES
 GARAGE U 200 SPACES
 GARAGE G 156 SPACES
 GARAGE U UNDER HOTEL 188 SPACES

LEVEL 1 GARAGING
 LEVEL 1 SECOND 156 SPACES
 LEVEL 1 THIRD 200 SPACES
 LEVEL 1 FOURTH 200 SPACES
 LEVEL 1 FIFTH 224 SPACES
 LEVEL 1 SIXTH 228 SPACES
 LEVEL 1 SEVENTH 1,200 SPACES (APPROX.)



1" = 50'-0" SCALE
 WHEN PRINTED AT 25x36 FORMAT

PARKING LEVEL 01 (P-1)

EXHIBIT B

PROJECT OVERVIEW

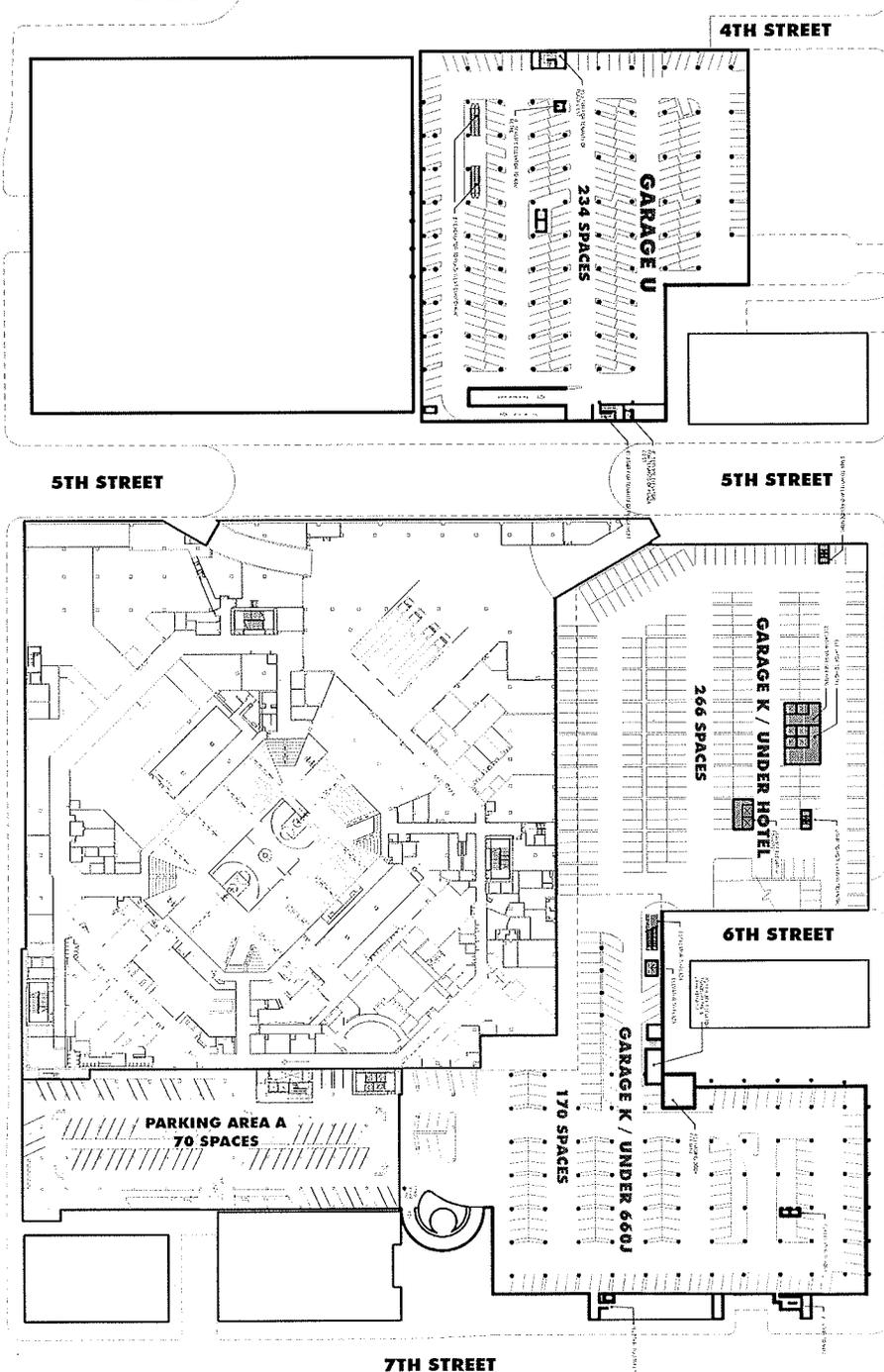
TOTAL OVERALL PARKING COUNTS P-2

TOTAL SPACES ON P-2 740 SPACES

TOTAL OVERALL 2996 SPACES
PROJECT PARKING 2748 SPACES (EXCLUDES MACT'S)

PARKING AREA	ON THIS LEVEL	TOTAL
PARKING AREA A	70 SPACES	140 SPACES
GARAGE K UNDER HOTEL	266 SPACES	510 SPACES
GARAGE K UNDER 660 J	170 SPACES	344 SPACES
GARAGE U	234 SPACES	474 SPACES
MACT'S PARKING	0 SPACES	188 SPACES

GARAGE G	LEVEL 1 GROUND	154 SPACES
	LEVEL 2 SECOND	234 SPACES
	LEVEL 3 THIRD	234 SPACES
	LEVEL 4 FOURTH	234 SPACES
	LEVEL 5 FIFTH	234 SPACES
	LEVEL 6 ROOF	228 SPACES
		1,330 SPACES (APPROX)



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

PARKING LEVEL 02 (P-2)

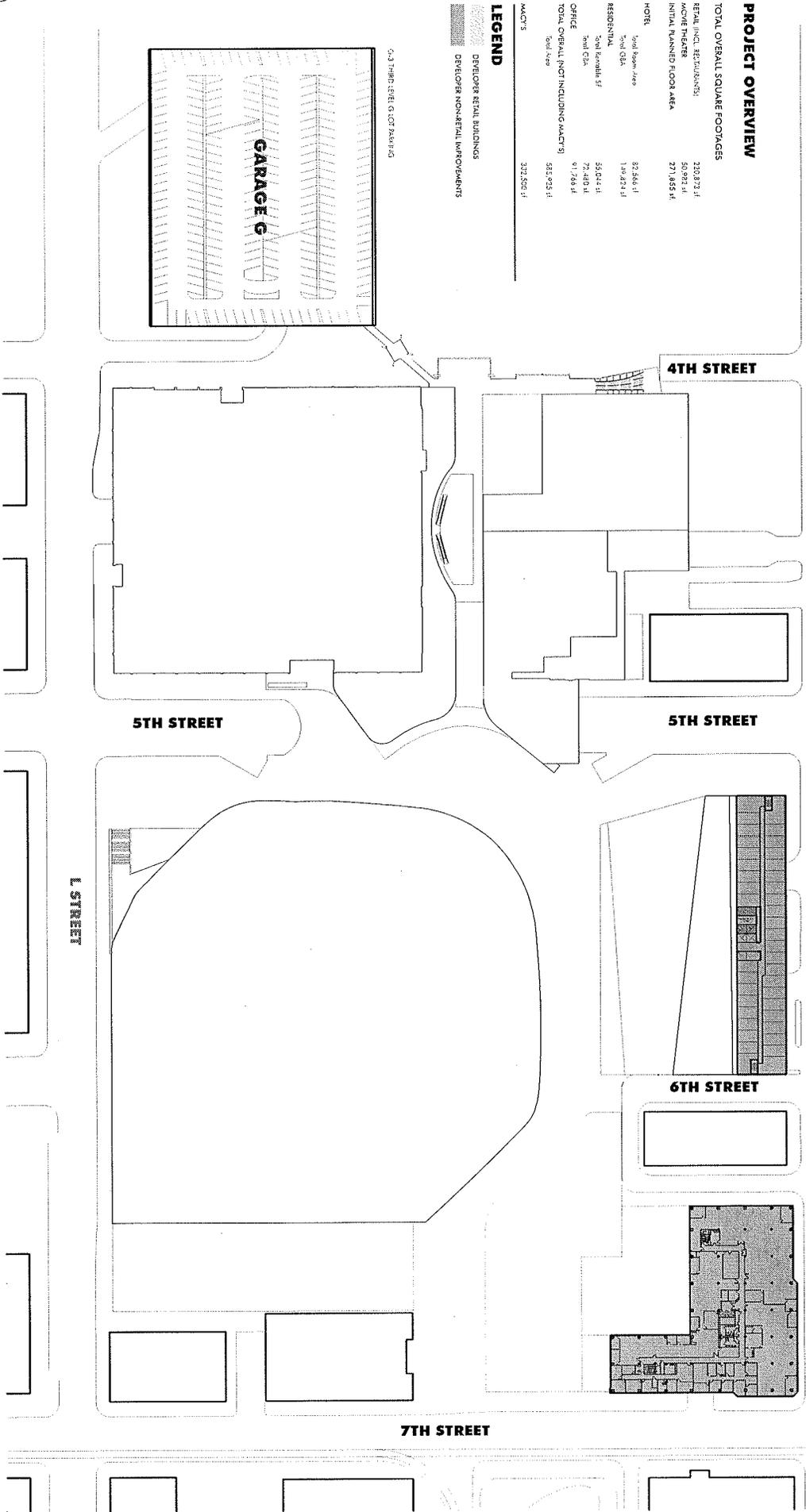
CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	239,873 SF
RETAIL INCL. RESTAURANTS	50,992 SF
MOVIE THEATRE	271,885 SF
INITIAL PLANNED FLOOR AREA	
HOTEL	
Total Room Area	82,566 SF
Total GBA	118,824 SF
RESIDENTIAL	
Total Rentable SF	35,024 SF
Total GBA	27,449 SF
OFFICE	91,728 SF
TOTAL OVERALL (NOT INCLUDING MACTS)	552,925 SF
Total Area	
MACT'S	332,286 SF

- LEGEND**
- DEVELOPER RETAIL BUILDINGS
 - DEVELOPER NON-RETAIL IMPROVEMENTS



1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36 FORMAT

THIRD LEVEL PLAN (+72'-0")

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

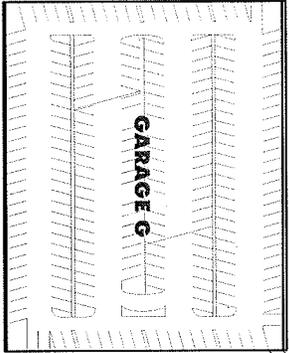
EXHIBIT B

PROJECT OVERVIEW

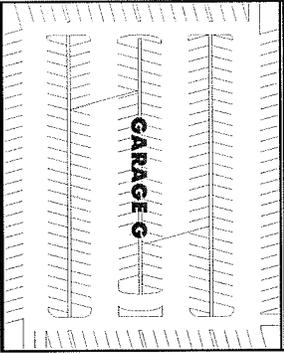
TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (INCL. RESTAURANTS)	229,873 SF
MOVIE THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	277,855 SF
HOTEL	
Total Room Area	82,548 SF
Total CBA	1,18,824 SF
RESIDENTIAL	
Total Residential SF	55,044 SF
Total CBA	72,480 SF
OFFICE	
TOTAL OVERALL (NOT INCLUDING MACT'S)	555,925 SF
Total Area	332,500 SF
MACT'S	332,500 SF

LEGEND

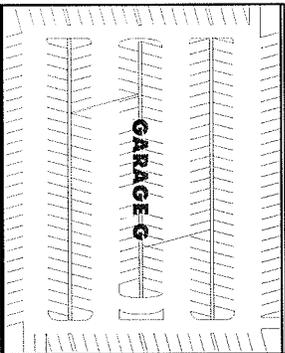
-  DEVELOPER RETAIL BUILDINGS
-  DEVELOPER NON-RETAIL IMPROVEMENTS



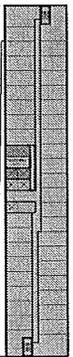
G-4 FOURTH LEVEL G LOT PARKING



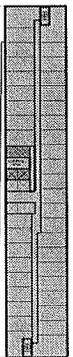
G-5 FIFTH LEVEL G LOT PARKING



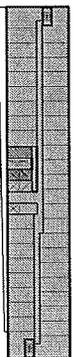
G-6 SIXTH LEVEL G LOT PARKING



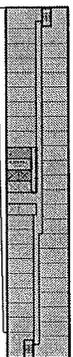
LEVEL FOUR - HOTEL (128'-47")



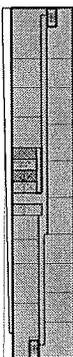
LEVEL FIVE - HOTEL (128'-47")



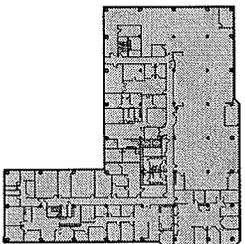
LEVEL SIX - HOTEL (128'-47")



LEVEL SEVEN - HOTEL (128'-47")



LEVEL EIGHT - HOTEL (128'-47")



LEVEL FOUR - EXISTING OFFICE TOWER



0' 10' 20' 30'

1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

LEVELS FOUR THROUGH EIGHT

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

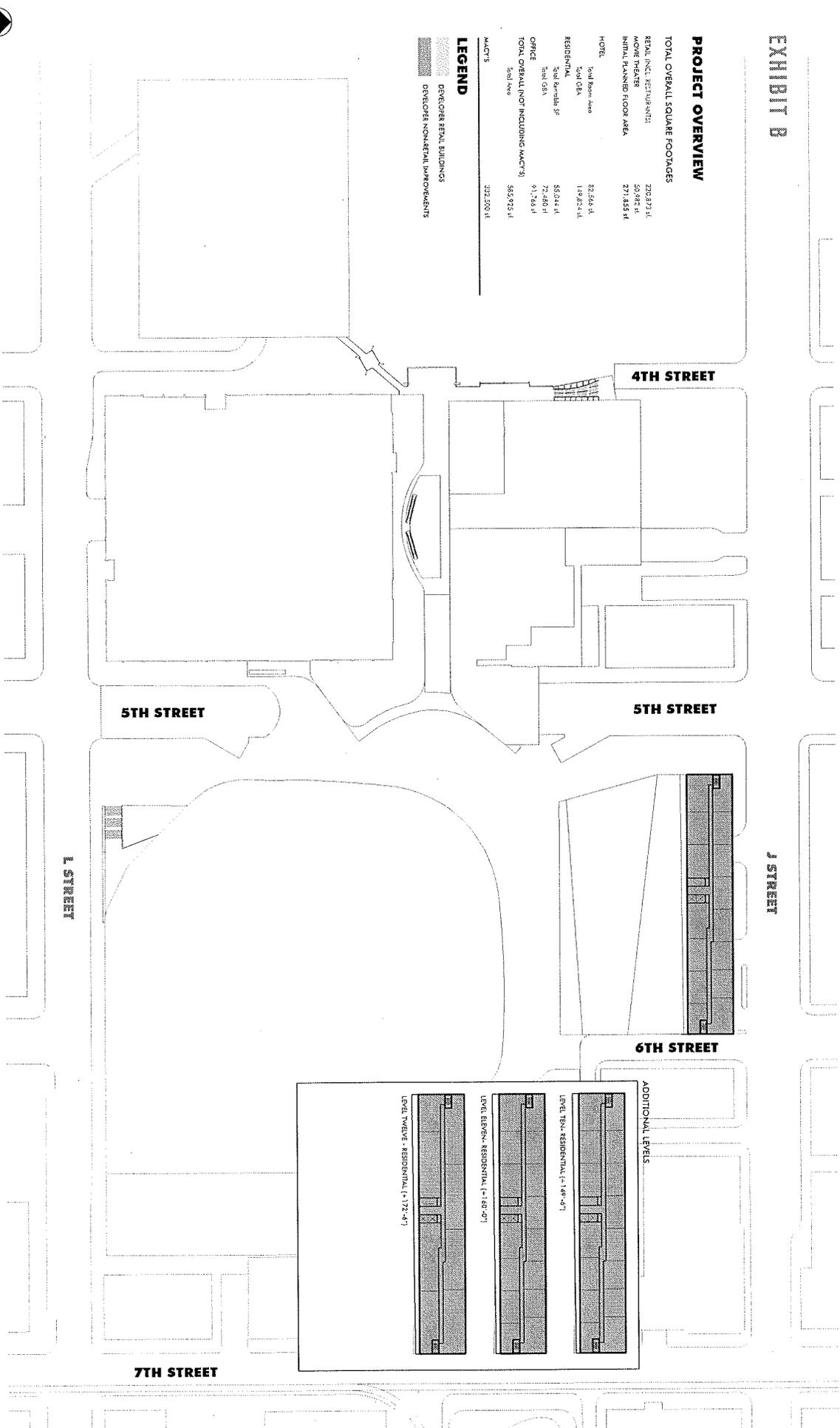
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (INCL. RESTAURANT)	229,877 SF
MOVIE THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	271,859 SF
HOTEL	
Total Room Area	82,558 SF
Total CBA	1,198,214 SF
RESIDENTIAL	
Total Permitted SF	55,044 SF
Total GSA	72,480 SF
Office	91,768 SF
TOTAL OVERALL (NOT INCLUDING MACT'S)	552,975 SF
MACT'S	332,200 SF

LEGEND

-  DEVELOPER RETAIL BUILDINGS
-  DEVELOPER NON-RETAIL IMPROVEMENTS



1" = 50'-0" SCALE
 WHEN PRINTED AT 24x36 FORMAT

LEVELS NINE THROUGH TWELVE

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

RIOS CLEMENTI HALE STUDIOS

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (R/C), RESTAURANTS	238,873 SF
MOVIE THEATERS	50,982 SF
INITIAL PLANNED FLOOR AREA	271,855 SF

HOTEL

Total Room Area	82,559 SF
Total GSA	114,902 SF

RESIDENTIAL

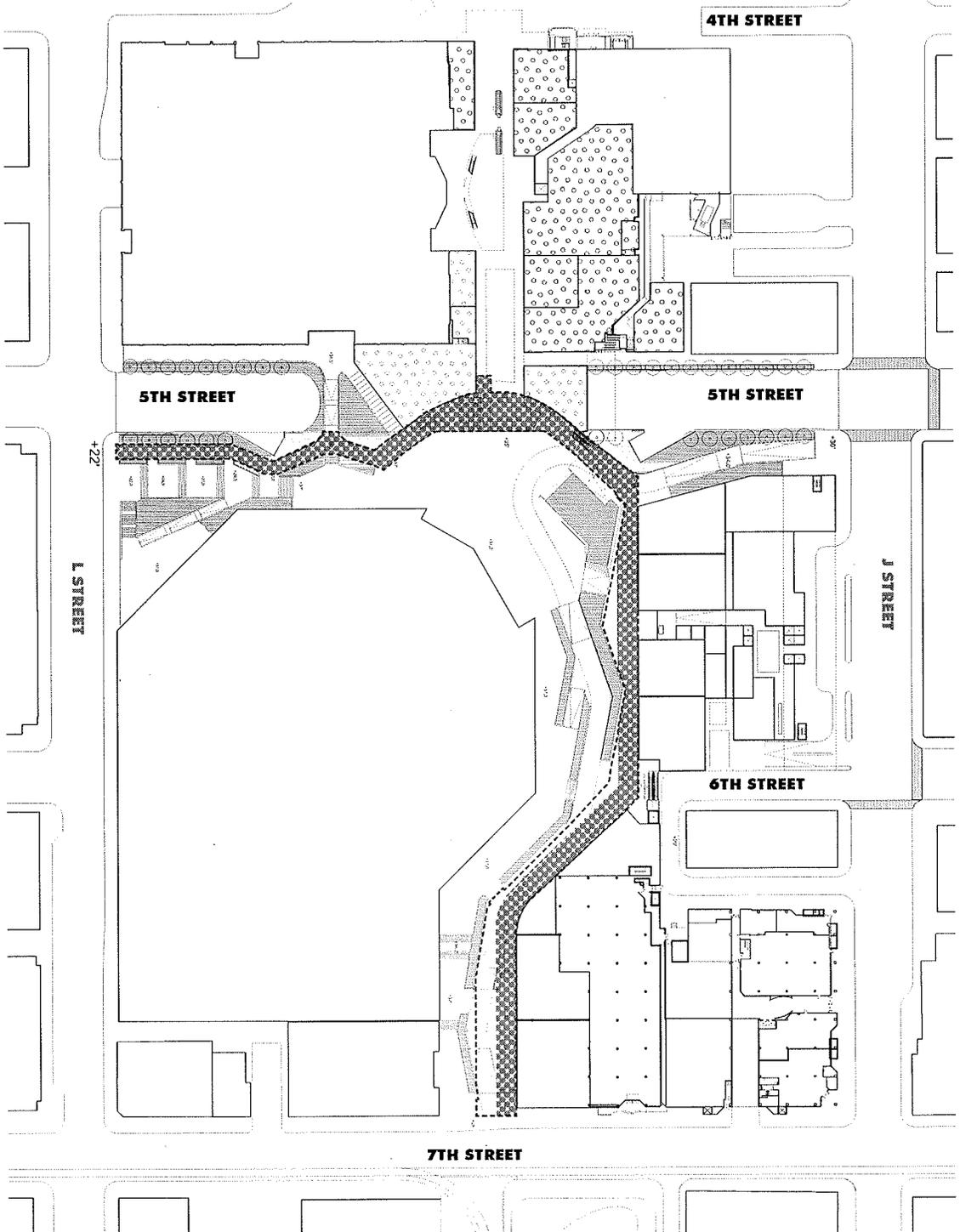
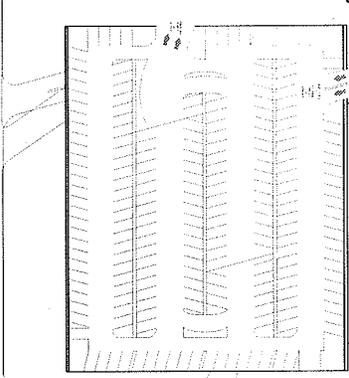
Total Number of Units	55,044 U
Total GSA	72,486 SF
Office	91,746 SF

TOTAL OVERALL (NOT INCLUDING MACTS)	528,023 SF
Total Area	229,506 SF

MACTS 229,506 SF

LEGEND

- IMMEDIATELY ADJACENT AREA
- ARENA RETAIL CO-OPERATING AREA
- IMMEDIATELY ADJACENT RETAIL (50,000 SF shown on plan)
- PLAZA AREA
- MACTS CONTROL AREA
- NO CLOSURE AREA (INCLUDES MACTS CONTROL AREA)



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

AREA PLAN

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	270,873 SF
RETAIL (INCL. RESTAURANT)	20,987 SF
MOVIE THEATER	271,885 SF
INITIAL PLANNED FLOOR AREA	
HOTEL	
Total Room Area	82,344 SF
Total GFA	119,874 SF
RESIDENTIAL	
Total Rooms SF	55,044 SF
Total GFA	72,480 SF
Office	91,766 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	588,975 SF
Total Area	232,500 SF
MACY'S	

LEGEND

-  IMMEDIATELY ADJACENT AREA
-  IMMEDIATELY ADJACENT RETAIL (1, 1/2, 4, 8 shown on plan)
-  FUTURE BUILDING SITES



NOTE: FIRST TWO LEVELS RETAIL & PERMITTED THEATER. ALL ELSE ABOVE TO BE RETAIL, RESIDENTIAL, HOTEL AND OFFICE.

NOTE: FIRST LEVEL PERMITTED AS RETAIL (AS INDICATED BY AREA NOTED) ALL ELSE ABOVE TO BE RETAIL, RESIDENTIAL, HOTEL AND OFFICE.

NOTE: FIRST & SECOND LEVELS PERMITTED AS RETAIL (AS INDICATED BY AREA NOTED) ALL ELSE ABOVE TO BE RETAIL, RESIDENTIAL, HOTEL AND OFFICE.



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

AREA PLAN

EXHIBIT B

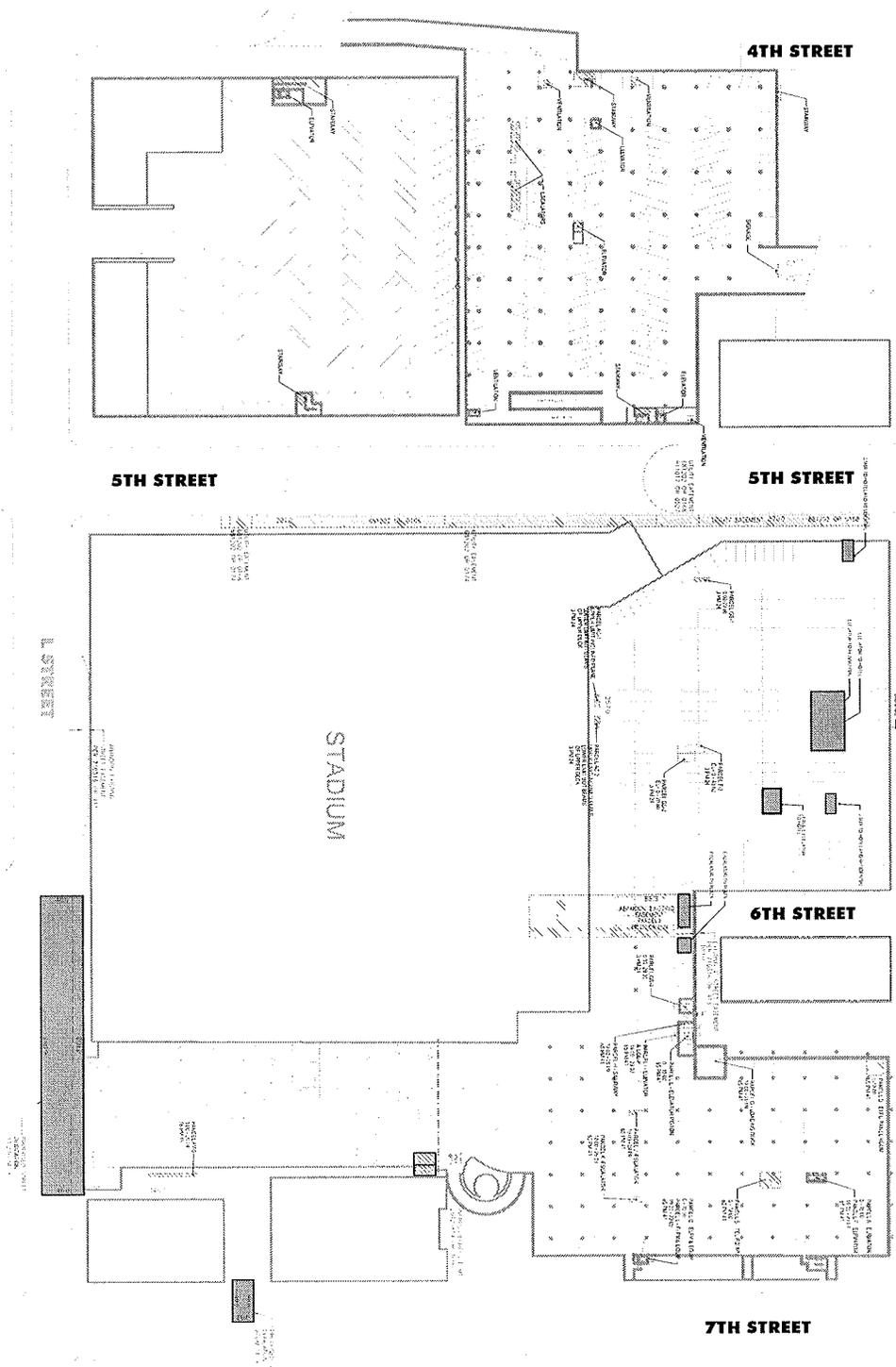
PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL B.C.U. (ESTIMATED)	220,373 SF
MOORE THEATERS	52,462 SF
INITIAL PARKING ROOF AREA	271,855 SF
HOTEL	
Hotel Room Area	182,566 SF
Hotel CTR	1,167,875 SF
RESIDENTIAL	
Hotel Rooms, 1F	55,344 SF
Hotel CTR	22,480 SF
OFFICE	
Hotel Area	81,745 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	558,925 SF
MACYS	322,500 SF

LEGEND

	EXISTING EASEMENTS
	NEW EASEMENTS



1" = 50'-0" SCALE
WHEN PRINTED AT 25x36 FORMAT

EASEMENTS

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (R/C), RESTAURANT	220,873 SF
MOVIE THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Total Room Area	82,549 SF
Total GSA	1,182,824 SF
RESIDENTIAL	
Total Rents/Lease SF	55,014 SF
Total GSA	72,489 SF
OFFICE	
Total Rents/Lease SF	91,766 SF
Total GSA	585,975 SF
MACYS	
Total Area	323,500 SF

LEGEND

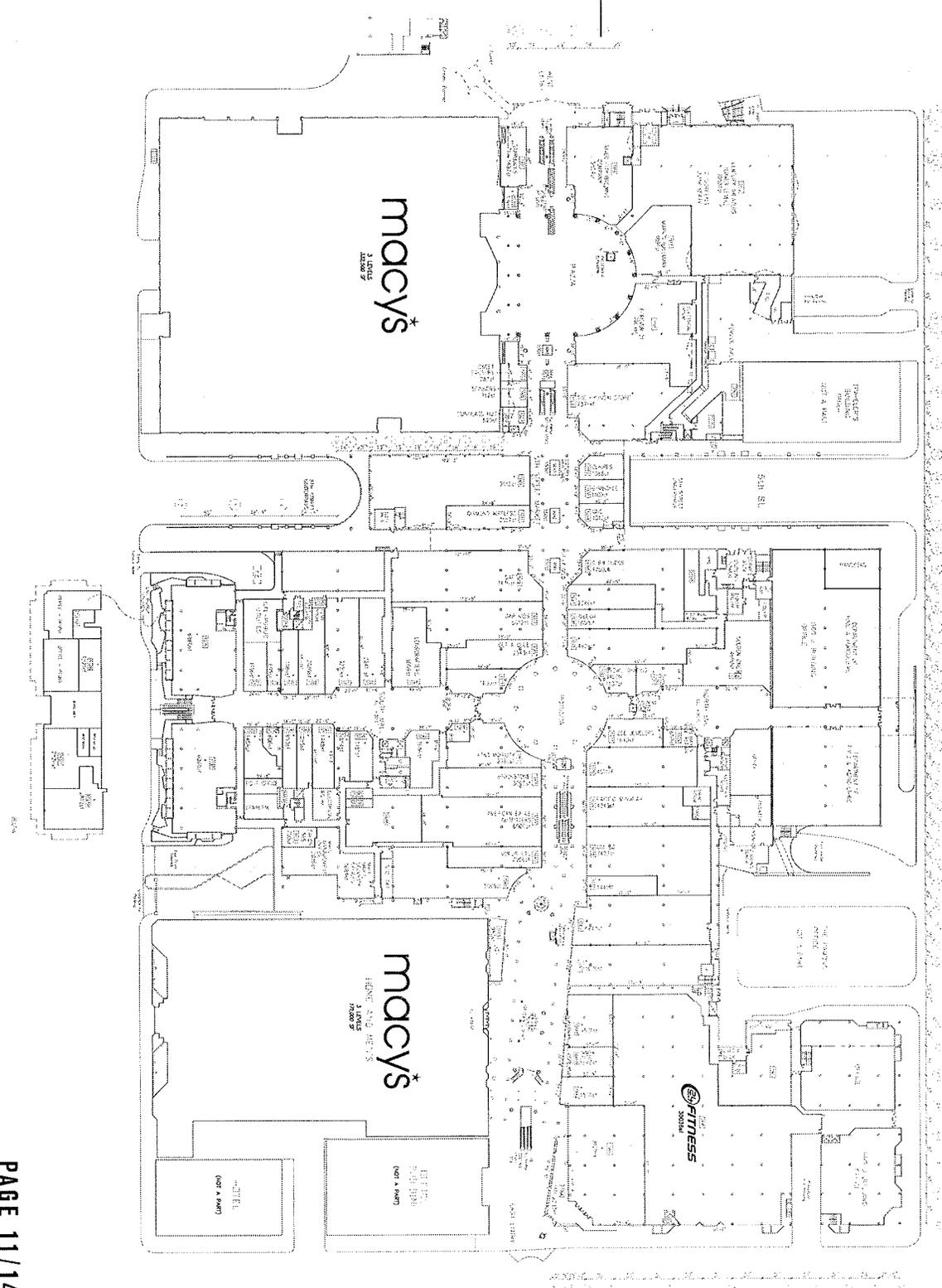
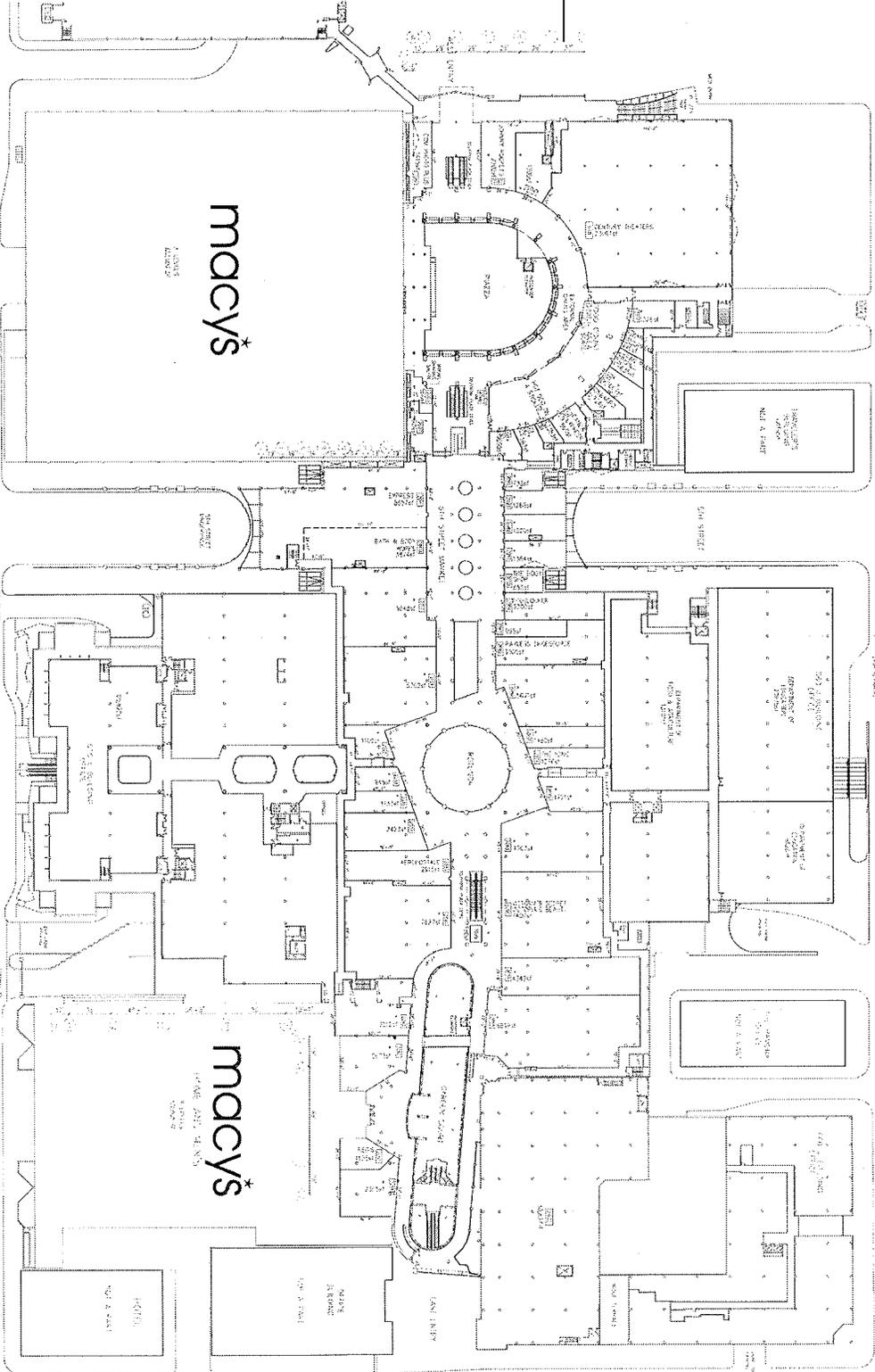


EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES	
RETAIL (P.C.L. RESTAURANTS)	220,872 SF
MODE THEATER	50,982 SF
INITIAL PLANNED FLOOR AREA	271,855 SF
HOTEL	
Total Room Area	82,269 SF
Total GFA	119,872 SF
RESIDENTIAL	
Total Rentable SF	55,044 SF
Total GFA	72,480 SF
Total GFA	91,738 SF
OFFICE	
TOTAL OVERALL (NOT INCLUDING MACYS)	555,925 SF
Total Area	327,509 SF

LEGEND



DEVELOPER EXISTING IMPROVEMENTS - SECOND LEVEL
 CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

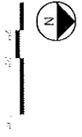
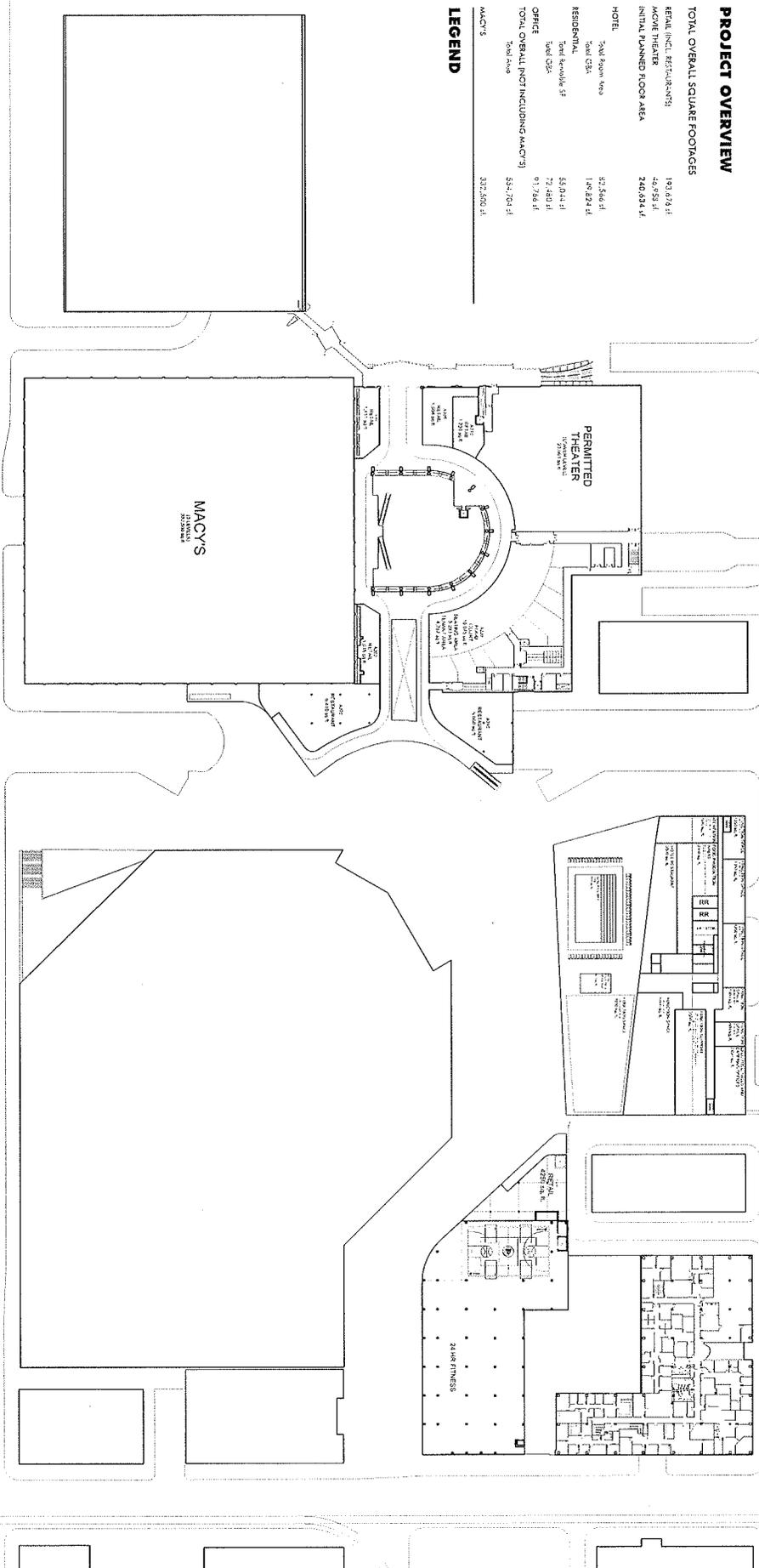
EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL SQUARE FOOTAGES

RETAIL (INCL. RESTAURANTS)	193,378 SF
MACYS THEATER	42,953 SF
INITIAL PLANNED FLOOR AREA	240,331 SF
HOTEL	
Total Room Area	92,544 SF
Total CSA	129,224 SF
RESERVATION	55,014 SF
Total CSA	79,480 SF
OFFICE	91,744 SF
TOTAL OVERALL (NOT INCLUDING MACYS)	
Total Area	531,764 SF
MACYS	
	332,566 SF

LEGEND



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

ALTERNATIVE GRAND OPENING DATE PLAN - SECOND LEVEL

CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - EXHIBIT B | JULY 02, 2014

EXHIBIT C

[see attached]

ARENA PARKING MANAGEMENT AGREEMENT

between

CITY OF SACRAMENTO

and

SACRAMENTO DOWNTOWN ARENA LLC

Dated as of: May 20, 2014

TABLE OF CONTENTS

	Page
LIST OF EXHIBITS AND SCHEDULES.....	v
BACKGROUND	1
1. Grant of Use; Acknowledgement of Obligations; Term.....	1
1.1 Grant of Use	1
1.2 Acknowledgement of City's Reserved Rights to Parking in Arena Agreement	2
1.3 Term	3
2. Annual Fee	4
3. Taxes; Operations; Capital Repairs	4
3.1 ArenaCo's Sole Cost.....	4
3.2 Taxes.....	4
3.3 Operations and Management	5
3.4 City's Access Rights	10
4. Audit Rights	11
5. Assignment	11
5.1 Assignment	11
5.2 Permitted Assignments	11
5.3 Contrary Assignments Void	12
5.4 Fee Mortgages	12
5.5 Permitted Licenses	12
6. Insurance	12
7. Damage or Destruction; Condemnation	12
7.1 Damage; Repair Obligation	12

ARENA PARKING MANAGEMENT AGREEMENT

7.2	Insurance Proceeds	13
7.3	Condemnation	13
7.4	Condemnation Award	14
7.5	Prompt Notice	14
7.6	Survival	14
8.	Representations, Warranties, and Covenants.....	15
8.1	Representations and Warranties of ArenaCo	15
8.2	Representations and Warranties of the City.....	15
8.3	Mutual Covenants	16
9.	Default and Remedies	17
9.1	ArenaCo Default.....	17
9.2	City's Remedies	17
9.3	City Event of Default	19
9.4	ArenaCo's Remedies.....	19
9.5	Waiver	20
10.	Title; Surrender	20
10.1	Title.....	20
10.2	Surrender	20
10.3	Other Agreements.....	21
11.	Indemnification.....	22
11.1	ArenaCo	22
11.2	The City.....	22
11.3	Procedures	22
11.4	Procedures	23

ARENA PARKING MANAGEMENT AGREEMENT

12.	Estoppel Certificate; Memorandum of Agreement	23
12.1	Estoppel Certificate	23
12.2	Memorandum of Agreement	24
13.	Security Interests	24
13.1	Right to Obtain Security Interests.....	24
13.2	Effect of a Security Interest	25
13.3	Foreclosure; Further Assignment.....	25
13.4	Notice of Security Interests	26
13.5	Modifications Required by ArenaCo Lender	26
13.6	Further Assurances	26
13.7	Protection of ArenaCo Lenders.....	27
13.8	First ArenaCo Lender's Right to a New Agreement	31
13.9	Priority of Security Interests.....	34
13.10	Liability of ArenaCo Lender	34
13.11	Casualty and Condemnation Proceeds	34
13.12	Mezzanine Lenders as ArenaCo Lenders.....	34
14.	Parking Facilities Free of Mechanics' and Materialmens' Liens	35
14.1	Generally	35
14.2	Notice of Lien; Bond	35
15.	Mediation	36
15.1	Process.....	36
15.2	Direct Communication	36
15.3	Non-binding Mediation	36
15.4	Mediation Failure.....	37

15.5	ArenaCo Lender	37
16.	Condition of the Existing Parking Facilities	37
17.	Hazardous Substances.....	37
18.	Miscellaneous	38
18.1	Notices.....	38
18.2	City's Purpose of Review	39
18.3	Force Majeure	39
18.4	Severability	39
18.5	Obligations of the City and ArenaCo.....	39
18.6	Time of the Essence.....	39
18.7	Binding Effect.....	39
18.8	Waiver	39
18.9	Interpretation	40
18.10	Integration and Modification	40
18.11	Conflicts among Project Agreements.....	40
18.12	Relationship of the Parties	40
18.13	Attorneys' Fees	40
18.14	Alternative Delivery	40
18.15	Counterparts.....	40
18.16	Governing Law	41
18.17	Disclosure of Records	41
18.18	Payments	41
18.19	Interest	41
18.20	NO WAIVER OF GOVERNMENTAL IMMUNITY.....	41

ARENA PARKING MANAGEMENT AGREEMENT

18.21	Effectiveness	41
19.	Definitions and Terms	42

LIST OF EXHIBITS AND SCHEDULES

EXHIBIT A	Parking Land
EXHIBIT B	Insurance
EXHIBIT C	Interim Agreement
SCHEDULE 8.2(D)	Litigation

ARENA PARKING MANAGEMENT AGREEMENT

This ARENA PARKING MANAGEMENT AGREEMENT (this "**Agreement**") is made and entered into as of May 20, 2014 (the "**Effective Date**"), between the CITY OF SACRAMENTO, a municipal corporation of the State of California (the "**City**"), and SACRAMENTO DOWNTOWN ARENA LLC, a Delaware limited liability company ("**ArenaCo**"). The City and ArenaCo are sometimes referred to in this Agreement as the "**Parties**" and each as a "**Party**."

BACKGROUND

Sacramento Kings Limited Partnership, a California limited partnership ("**TeamCo**"), owns and operates the National Basketball Association ("**NBA**") franchise currently known as the Sacramento Kings (the "**Team**").

Concurrently with the Parties' execution of this Agreement, the Parties, TeamCo, and Sacramento Basketball Holdings LLC, a Delaware limited liability company and the direct or indirect controlling owner of each of ArenaCo and TeamCo, are entering into the Comprehensive Project Agreement for the Sacramento Entertainment and Sports Center (the "**Comprehensive Agreement**") and all other "**Project Agreements**" (as such term is defined in the Comprehensive Agreement). The Project Agreements include (i) the Arena Design and Construction Agreement between the City and ArenaCo (the "**Design and Construction Agreement**"), pursuant to which ArenaCo has agreed to design and construct a multipurpose entertainment and sports center, including administrative offices, practice facility, plazas, walkways, parking, and outdoor entertainment areas (the "**Arena**"), (ii) the Team Use Agreement between ArenaCo and TeamCo (the "**Team Agreement**"), pursuant to which ArenaCo has agreed to operate, maintain, and repair the Arena for, and license the use of the Arena to, TeamCo, and (iii) the Arena Management, Operations, and Lease Agreement between the Parties (the "**Arena Agreement**"), pursuant to which ArenaCo will lease the Arena from the City.

The Arena will be adjacent to or near the Parking Facilities, including the Parking Land, located thereunder.

The City and ArenaCo desire to enter into this Agreement, pursuant to which ArenaCo will use, operate, manage, maintain, replace, license, and repair the Parking Facilities.

With these background facts in mind, the City and ArenaCo agree as follows (terms not otherwise defined herein are used as defined in Section 19 below):

1. Grant of Use; Acknowledgement of Obligations; Term

1.1 Grant of Use.

- (A) *Grant of Use.* Subject to the terms, conditions, and reservations of this Agreement, the City hereby grants ArenaCo the right to use the Parking

Facilities during the Management Rights Term, which shall be used solely and exclusively for the operation, management, licensing, maintenance, replacement and repair of the Parking Facilities. ArenaCo shall not use the Parking Facilities or any portion thereof for any use other than as provided in this Agreement or the POMA.

- (B) *Compliance with Applicable Law.* ArenaCo's use and occupancy of the Parking Facilities shall comply with all Applicable Laws at all times and nothing in this Agreement shall constitute or be deemed to constitute a waiver by the City of the performance of its governmental functions or of any such Applicable Laws or of the duty of ArenaCo to comply with such Applicable Laws. The City shall comply with all Applicable Laws at all times in connection with its performance of this Agreement.
- (C) *Third Parties.* Subject to the terms and conditions of this Agreement, any of the rights (including exclusive rights) or obligations granted to ArenaCo under this Agreement regarding using, operating, managing, maintaining, licensing, replacing, or repairing the Parking Facilities may be exploited or satisfied directly by ArenaCo or indirectly through other Persons (including Affiliates of ArenaCo) pursuant to contracts with ArenaCo or any of its Affiliates; provided, however, that ArenaCo may not assign or delegate its obligation to manage the Parking Facilities to a third party (other than an Affiliate of ArenaCo), except in accordance with Section 3.3 and Section 5. All such contracts shall be subject to all Applicable Laws (including all applicable bonding and licensing requirements) and all terms and conditions of this Agreement and any other applicable Project Agreements.

1.2 Acknowledgement of City's Reserved Rights to Parking in Arena Agreement. Notwithstanding anything to the contrary contained in this Agreement, ArenaCo hereby acknowledges that pursuant to the Arena Agreement, ArenaCo has agreed to make available to the City the right to use without charge certain parking spaces in the Parking Facilities for "**City Events**" (as defined in the Arena Agreement), as follows:

- (A) *City Minor Event.* For any given City Minor Event (as defined in the Arena Agreement), ArenaCo shall make available to the City, without charge, a number of parking spaces at the Parking Facilities equal to one-third of the City's reasonable and good faith estimate of the number of attendees at such City Minor Event, but in no event more than 150 parking spaces. ArenaCo shall make such parking available during the period commencing at least 90 minutes prior to, and ending at least one hour after, such City Minor Event.

- (B) *City Civic Event.* Subject to any and all limitations set forth in the POMA (which shall in no event be more restrictive on the City's rights under this subsection than on the Team for Home Games (as such term is defined in the Team Agreement)), for any given City Civic Event (as such terms are defined in the Arena Agreement) (i) all attendees of such City Civic Event will be permitted to park at the Parking Facilities during the period commencing at least three hours prior to, and ending at least one hour after, such City Civic Event, and (ii) any parking fees charged for use of the Parking Facilities for attendees of such City Civic Event will be subject to the prior written approval of the City and any revenues therefrom will be City Event Revenues for purposes of the Arena Agreement. Notwithstanding the foregoing sentence, the City acknowledges and agrees that ArenaCo is entitled to retain all revenues in connection with all advertising, sponsorship, and promotional activity at the Parking Facilities. City agrees that it shall not exercise its rights under this Section 1.2(B) with respect to any non-holiday themed City Civic Event during the period between the Friday after Thanksgiving until New Year's Day.
- (C) *City Event Expenses.* All out of pocket expenses (without markup) actually incurred by ArenaCo or its Affiliates in connection with providing parking at the Parking Facilities for City Minor Events and City Civic Events that would not have been incurred by ArenaCo but for the Arena hosting such events will be City Event Expenses for purposes of (and as defined in) the Arena Agreement.

1.3 Term.

- (A) *Term: Generally.* The term of this Agreement (the "**Term**") commences on the Effective Date and expires on the Expiration Date, unless terminated earlier as expressly provided for in this Agreement. The Term includes the Management Rights Term.
- (B) *Management Rights Term.* The term of the City's grant of rights to ArenaCo to use the Parking Land and the Parking Facilities (the "**Management Rights Term**") commences on the Management Rights Commencement Date and expires on the Expiration Date, unless terminated earlier as expressly provided for in this Agreement. City covenants to release that portion of the Parking Facilities commonly known as Downtown Plaza West (Facility G) from the existing Master Site Lease and Master Project Lease no later than 70 days after the Effective Date.
- (C) *Early Termination.* This Agreement will terminate prior to the Expiration Date only (i) if either Party exercises a termination right expressly

provided to it in this Agreement, or (ii) upon the termination of the Comprehensive Agreement in accordance with Section 7.2 thereof.

2. **Annual Fee.** In consideration of ArenaCo's use of the Parking Facilities pursuant to the terms of this Agreement, ArenaCo shall, during the Management Rights Term, pay to the City an annual fee equal to ten dollars (\$10) (the "**Annual Fee**"). For any partial year during the Management Rights Term, the Annual Fee shall be prorated based upon the actual number of days in such partial year.

3. **Taxes; Operations; Capital Repairs**

3.1 ***ArenaCo's Sole Cost.*** It is the intent of the Parties that, subject to Sections 3.2(A) and 3.3(E), the POMA (but only to the extent the City is responsible for any obligations thereunder), and the Interim Agreement (and any replacement or renewal thereof), the City shall not be required to pay any costs or expenses or provide any services whatsoever in connection with the Parking Facilities during the Term, and ArenaCo shall be solely responsible for paying, throughout the Term, all costs (including capital costs) necessary to use, operate, manage, maintain, license, replace, and repair the Parking Facilities, including all costs of maintenance, repairs, replacements, renovation, remodeling, removal, alterations, improvements, insurance, Taxes, and all other costs, charges, expenses, and obligations of any kind now or at any time imposed upon or with respect to the Parking Facilities.

3.2 ***Taxes.***

(A) Without limiting the generality of Section 3.1, ArenaCo shall be solely responsible for, and shall pay and discharge as and when due, all Taxes, to the extent allocable to the Management Rights Term, (i) upon or with respect to the Parking Facilities, or any portion thereof or any interest of ArenaCo therein or under this Agreement, expressly including any possessory interest Tax imposed on ArenaCo or any other occupant or user of the Parking Facilities, (ii) upon or with respect to ArenaCo's possession, operation, management, maintenance, alteration, repair, rebuilding, use, occupancy of or employment of personnel in the Parking Facilities, or any portion thereof, and (iii) on account of any excise, sales, use, rental, transaction, privilege, or like Taxes now or hereafter levied, assessed, or imposed against or on account of amounts payable by ArenaCo under this Agreement. ARENACO ACKNOWLEDGES AND AGREES THAT A POSSESSORY INTEREST SUBJECT TO PROPERTY TAXATION MAY BE CREATED BY ENTERING INTO THIS AGREEMENT, AND THAT ARENACO SHALL BE LIABLE FOR THE PAYMENT OF ANY POSSESSORY INTEREST TAX AND SHALL BE RESPONSIBLE FOR THE PAYMENT OF ANY TAX ASSOCIATED

WITH ARENACO'S BUSINESS ON OR USE OF THE PARKING FACILITIES, INCLUDING POSSESSORY INTEREST AND SALES TAXES.

- (B) ArenaCo shall have the right, at its sole cost and expense, to contest the amount, validity, or applicability, in whole or in part, of any Taxes affecting, against, or attaching to the Parking Facilities or any portion thereof and allocable to the Term by appropriate proceedings conducted in good faith and with due diligence.
- (C) Notwithstanding anything to the contrary in this Agreement, ArenaCo intends to treat the transactions contemplated by this Agreement for income tax purposes as provided in Section 8.1 of the Comprehensive Agreement. The City acknowledges and agrees that, unless otherwise required by Applicable Law, it shall not take any income tax position that is inconsistent with the intended treatment by ArenaCo described in such Section; provided, however, that the City is not providing any assurance that such positions and intended treatment by ArenaCo will be honored or respected by any taxing or other authority.

3.3 Operations and Management. Notwithstanding anything to the contrary in this Agreement, during the Management Rights Term, the operations and management of the Parking Facilities shall be performed directly by ArenaCo or an Affiliate of ArenaCo, or by an unrelated third party management company or a New Operator; provided, that, in each case, such unrelated third party management company or New Operator (other than the City) (A) has at least five years' experience in operating and managing parking facilities of comparable size and operations (including without limitation technological functionality) to the Parking Facilities, and (B) has been approved by the City, such approval not to be unreasonably withheld, conditioned, or delayed. During the Management Rights Term:

- (A) *Generally.* ArenaCo shall have the exclusive right to, and shall, operate and manage, set fees for (and, except as set forth in Section 1.2), shall have the right to allocate, use, and distribute in its sole and absolute discretion all revenues with respect to) the Parking Facilities on a 24 hour per day, year round basis. ArenaCo shall operate and manage the Parking Facilities in accordance with the Operations Standard. Notwithstanding anything to the contrary contained herein, the City shall be responsible at its sole cost and expense for any claims by a third party against ArenaCo to the extent arising before the Effective Date, but excluding any claims relating to the continuing presence or absence of Hazardous Substances or any continuing violations of Environmental Laws (the "**Pre-Existing Violations**").

- (B) *Plaza Operations Agreements.* The Parking Facilities are subject to the Plaza Operations Agreements. ArenaCo shall not take any action that would constitute, or could reasonably be expected to result in, a violation of the rights of Macy's West Stores, Inc., an Ohio corporation ("**Macy's**") under the Plaza Operations Agreements, unless, and then only to the extent that, ArenaCo has delivered to the City amendments to the Plaza Operations Agreements, an agreement, or an estoppel certificate, in any such case in form and substance reasonably acceptable to the City, pursuant to which Macy's waives such rights and agrees that such actions will not constitute a violation of the Plaza Operations Agreements. In connection with work approved by City under this Agreement, the City waives any separate rights it has under the Plaza Operations Agreements to object to such work but not any other rights it has to object to the work under this Agreement, Applicable Law, or otherwise.
- (C) *Permits.* ArenaCo shall obtain and maintain (or cause to be obtained and maintained) all necessary licenses and permits required in connection with the operation, repair, and management of the Parking Facilities and, to the extent permitted by Applicable Law, the City shall use commercially reasonable efforts to expedite the process by which ArenaCo so obtains and maintains such licenses and permits that are to be obtained from the City.
- (D) *Utilities.* Subject to the terms of the other Project Agreements, ArenaCo shall be solely responsible for furnishing sufficient water, sewer, natural gas, heat, air-conditioning, electric, telephone, Internet and other utilities, hookups, capacities, janitorial services, trash pick-up, and other services as are necessary to operate the Parking Facilities.
- (E) *Interim Agreement for Management.* Concurrently with this Agreement, the Parties are entering into the Agreement for Interim Parking Management, attached hereto as Exhibit C (the "**Interim Agreement**"), to facilitate the transition of certain of ArenaCo's responsibilities under this Agreement on an interim basis, whereby the City will operate and manage the Parking Facilities for ArenaCo. The existence, expiration, or termination of the Interim Agreement shall not otherwise affect the City's or ArenaCo's rights or obligations hereunder; provided, the City agrees that ArenaCo shall not be liable to City under this Agreement for any acts or omissions of the City (including, without limitation, negligence and willful misconduct of the City, or its employees, agents, and contractors) arising under Interim Agreement (including any renewal or replacement thereof), and the City's performance under the Interim Agreement shall satisfy ArenaCo's obligations to City hereunder with respect to the services provided by the City during the term of the Interim Agreement

(and any renewal or replacement thereof). For the avoidance of doubt, if ArenaCo is responsible for any obligations that are not covered by the services provided by the City in the Interim Agreement, ArenaCo shall remain responsible for such obligations (and the City shall have no responsibility for such obligations). The Parties acknowledge and agree that the City Removal Inventory (as such term is defined in the Interim Agreement) may be removed by the City upon expiration of the Interim Agreement pursuant to the terms thereof.

- (F) *Initial Reconstruction of Parking Facilities.* Concurrently with this Agreement, the parties have entered into the Design and Construction Agreement. A portion of the Work (as defined in the Design and Construction Agreement) contemplated by the Design and Construction Agreement will involve demolition and partial reconstruction of a portion of the Parking Facilities. Without limiting ArenaCo's obligations in this Agreement, the Design and Construction Agreement shall govern the Work (including the insurance requirements referenced therein), and City shall have no additional notice or approval rights over the Work pursuant to this Agreement.
- (G) *Deferred Maintenance.* As of the Effective Date, there are certain deferred maintenance items associated with the Parking Facilities, as set forth in that portion of the Walker Parking Consultants Condition Appraisal and Capex Projects, dated January 2014, for the Parking Facilities ("**Walker Report**"). Upon the later to occur of commencement of the Management Rights Term or six months after the Effective Date, ArenaCo, at its sole cost and expense, shall commence implementation of the base repair program identified in the Walker Report ("**Base Repair Program**"), and complete the repairs contemplated by the Base Repair Program within the timelines set forth therein. The Parties acknowledge and agree that until the repairs identified in the Base Repair Program are completed, the Parking Facilities will not be in compliance with the Maintenance and Repair Standard (and are only required to meet such standard according to the timelines set forth in this Section 3.3(G)). ArenaCo shall have the right, at its sole cost and expense, to hire an independent third party parking consultant experienced with the operations and maintenance of parking facilities of similar size and operations reasonably acceptable to the Parties to verify the scope and timing of the Base Repair Program. If the third party parking consultant's conclusions with respect to the scope or timing of the repairs for the deferred maintenance are materially different from those set forth in the Base Repair Program, the Parties shall meet and discuss in good faith any modifications to the Base Repair Program.

- (H) *Maintenance and Repair Generally.* Except as set forth in Section 3.3(G) above, ArenaCo shall perform routine and regular maintenance and repairs so as to maintain the Parking Facilities and its fixtures, machinery, equipment, improvements, and other components in accordance with the Maintenance and Repair Standard.
- (I) *ArenaCo Election of PARCS Integrated or PARCS Matching.* To provide ArenaCo with flexibility in meeting its requirements to remain Compatible, ArenaCo shall have the ability to implement either PARCS Integrated or PARCS Matching. During any period after the initial six month term of the Interim Agreement that the City is subcontracted to manage day-to-day operations of the Parking Facilities (either by renewal or replacement of the Interim Agreement or otherwise), ArenaCo shall implement PARCS Integrated. The Parties acknowledge and agree that if ArenaCo is implementing PARCS Integrated and the City reasonably determines that it needs to modify PARCS, and such modifications will affect the Parking Facilities, ArenaCo shall be required to update the Parking Facilities to ensure that the same remain Compatible. In such event, the City will coordinate with ArenaCo on the City's bids associated with the modifications to PARCS to ensure that the Parking Facilities remain Compatible, and ArenaCo shall be responsible for the costs and expenses directly attributable to the Parking Facilities, and any additional modes or add-ons that serve only the Parking Facilities. In the event that the Interim Agreement expires or terminates without renewal or replacement, ArenaCo shall implement PARCS Matching, at its sole cost and expense.
- (J) *Additions and Capital Repairs.*
- (1) Subject to Section 3.3(J)(5), ArenaCo shall be solely responsible for, and shall timely make with reasonable diligence, all Additions and Capital Repairs required to comply with the Maintenance and Repair Standard, and other improvements consistent with the POMA and desired by ArenaCo which ArenaCo reasonably determines improve the value, operation, useable life, or quality of the Parking Facilities.
- (2) At least 30 days prior to the first day of each calendar year, ArenaCo shall provide to the City for the City's review and approval an annual capital repair plan setting forth all Additions and Capital Repairs work proposed to be performed in such year, together with (i) a reasonably detailed summary of all the Additions and Capital Repairs performed in the then current year and (ii) a report identifying, in reasonable detail, the variances

from the then current annual capital repair plan. The City shall have the right, without limiting any of its other rights or remedies set forth in this Agreement, to provide comments and objections to any annual capital repair plan (including with respect to items that the City believes must be addressed to ensure compliance with the Maintenance and Repair Standard) and ArenaCo shall consider, in good faith implementing such comments. ArenaCo may update its annual capital repair plan from time to time and will promptly provide to the City a copy of any updates thereto.

- (3) In addition to the annual capital repair plan described above, not less than every five years, ArenaCo shall cause an independent third party parking consultant highly experienced with the operations and maintenance of parking facilities reasonably acceptable to the Parties to prepare a five-year capital repair plan, which shall be similar to the detail provided in the Walker Report. The City shall be provided a copy of the report for its review and approval, which shall not be unreasonably withheld, conditioned, delayed. Upon the approval of the five-year capital repair plan by the Parties, ArenaCo shall complete the repairs contemplated by the report within the timelines set forth therein.
- (4) ArenaCo shall replace (and not repair) an item if it (i) is substantially worn out, (ii) has reached the end of its useful life and is either obsolete or uneconomical to maintain and fails to perform to original specifications, (iii) is not functioning correctly and cannot be repaired or cannot be economically repaired or operated, or (iv) is no longer deemed safe. All replacements shall be of at least a quality and functionality consistent with the item being replaced and otherwise comply with the Maintenance and Repair Standard.
- (5) Except as set forth in Section 3.3(F) above, at least 30 days prior to commencing any Additions and Capital Repairs Work, ArenaCo shall provide to the City, for the City's review and comment, ArenaCo's anticipated schedule for such work and the plans and specifications therefor as prepared by an engineer or architect licensed in the State of California. Without limiting the foregoing, ArenaCo shall not commence any Additions and Capital Repairs Work if the estimated costs are anticipated to be greater than \$50,000 without the prior written consent of City, which shall not be unreasonably withheld, conditioned or delayed; provided that City's prior approval shall not be required for improvements necessary to comply with 3.3(K) or the Plaza Operating

Agreements (unless the City's approval is expressly required thereunder), or the NBA Standards (as defined in the Project Agreements).

- (K) *Emergency and Repairs.* In the event of any Emergency, ArenaCo shall promptly notify the City of such Emergency, and ArenaCo shall take whatever steps are necessary to alleviate the Emergency. If ArenaCo or any of its Affiliates have not promptly made the repairs necessary to alleviate such Emergency, the City may (but is not obligated to), in addition to all other rights and remedies available to the City, make the repairs necessary to alleviate such Emergency. To the extent practicable, the City shall contact ArenaCo prior to the City taking any action pursuant to this Section 3.3(K) to discuss the actions to be taken with respect to the Emergency or such repairs and to attempt to avoid the duplication of efforts by ArenaCo (and its Affiliates) and the City. ArenaCo shall, within 15 days after written demand from the City, reimburse the City for all reasonable costs and expenses actually incurred by City and associated with respect to such Emergency. Nothing in this Agreement shall be deemed to infringe on or limit the power or duty of the City (including the police and emergency service powers of the City) to act to provide for the health, safety, or welfare of the municipality in an emergency situation.
- (L) *Security.* Subject to the City's obligations under Section 4.7 of the Arena Agreement, ArenaCo shall be responsible for, and pay for all costs associated with, maintaining and ensuring at all times public order and safety and security of the Parking Facilities in a manner that is consistent with the level of safety and security of parking facilities of comparable size and operations to the Parking Facilities.

- 3.4 ***City's Access Rights.*** ArenaCo shall permit the City or its authorized agents or representatives (including without limitation third party parking consultant) to enter the Parking Facilities at all reasonable times with reasonable prior notice (not less than 1 Business Day except in case of emergency) for the purposes of (A) inspecting the Parking Facilities and ArenaCo's compliance with the terms and conditions of this Agreement, and (B) during the last 36 months of the Management Rights Term, showing the Parking Facilities to other Persons who have indicated an interest in operating the Parking Facilities for the City upon expiration of the Management Rights Term; provided, however, that any such entry shall be conducted in such a manner as to minimize interference with the Parking Facilities operations. For clarification, nothing contained in this Section 3.4 or in any other provision of this Agreement shall be deemed to infringe on or limit the power or duty of the City (including the police and

emergency service powers of the City) to act to provide for the health, safety, or welfare of the municipality in an emergency situation.

4. **Audit Rights.** Subject to Applicable Law, the City's sole right to audit parking revenues is as set forth in the Arena Agreement.

5. **Assignment**

5.1 **Assignment.** Subject to Section 5.2, neither Party shall make or enter into an Assignment of this Agreement without the prior written consent of the other Party, not to be unreasonably withheld, conditioned, or delayed. With respect to ArenaCo, an Assignment of this Agreement includes any change in the control of ArenaCo, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of ArenaCo through the ownership or control of voting securities. In connection with any Assignment of this Agreement by ArenaCo (whether or not the City's consent is required therefor), ArenaCo shall provide the City with notice of such Assignment and all information reasonably requested by the City that relates to the ability of the assignee to satisfy the obligations of ArenaCo under this Agreement and, if such Assignment satisfies one of the conditions set forth in Section 5.2, all information reasonably requested by the City to confirm that such condition has been satisfied (provided, that if an Assignment of this Agreement is made pursuant to Section 5.2(D), then such information requested by the City shall be limited to evidence that an acquisition or change in control of the Team has occurred).

5.2 **Permitted Assignments.** The following Assignments shall be permitted without the consent of any Party:

- (A) A Party may make an Assignment of this Agreement to any Affiliate of such Party, provided that such Affiliate shall agree to be bound by all of the terms and conditions of this Agreement;
- (B) ArenaCo may delegate its rights or obligations with respect to the Parking Facilities in accordance with Section 1.1(C); and
- (C) Subject to Section 13, ArenaCo may pledge, grant a security interest in, encumber, or collaterally assign its interest in this Agreement or the equity interests in ArenaCo to secure indebtedness for borrowed money of ArenaCo; and
- (D) ArenaCo may make an Assignment of this Agreement to any Person (or an Affiliate thereof) that acquires, or obtains control of, the Team with the approval of the NBA.

- 5.3 **Contrary Assignments Void.** Any Assignment of this Agreement made contrary to this Section 5 is void.
- 5.4 **Fee Mortgages.** The City shall not mortgage or otherwise encumber the City's Fee Estate with any mortgage, deed of trust, security deed, deed to secure debt, or any other similar instrument or agreement constituting a lien upon, or similarly encumbering, the Fee Estate. For the avoidance of doubt, the Parties acknowledge and agree that this Section 5.4 does not restrict the City's right to grant leasehold interests with respect to the Parking Facilities in connection with any refinancing of the 1997 Bonds (as defined in the Comprehensive Agreement) as contemplated by Section 1.2 of the Comprehensive Agreement; provided, however, that in such event the Parties shall cause the execution, delivery, and recordation of appropriate SNDAs (as defined in the Arena Agreement) similar to those contemplated by Section 1.1(F) of the Arena Agreement.
- 5.5 **Permitted Licenses.** ArenaCo shall have the right to issue licenses and other contracts for parking spaces or portions of the Parking Facilities in its sole discretion and without the prior consent of the City provided such licenses and other contracts are consistent with the terms of the POMA, and do not survive the Term. Notwithstanding the foregoing, ArenaCo shall not enter into any license or other occupancy agreements (including those contemplated by Section 1.1(C)) in a manner that circumvents the restrictions on Assignments set forth in this Section 5. By way of example, a license of all or substantially all of the Parking Land or the Parking Facilities for of all or substantially all of the then remaining Term will be deemed to be an Assignment of this Agreement and will be subject to the restrictions on Assignments set forth herein. Notwithstanding any licenses or other occupancy agreements, ArenaCo shall at all times remain liable for the performance of all of the covenants and agreements under this Agreement due on ArenaCo's part to be so performed.
6. **Insurance.** During the Management Rights Term, ArenaCo, at ArenaCo's sole cost and expense, shall comply with the insurance requirements attached hereto as Exhibit B and made a part hereof, as the same may be revised in writing by mutual consent of the Parties from time to time.
7. **Damage or Destruction; Condemnation**
- 7.1 **Damage; Repair Obligation.** In the event of damage to or destruction of the Parking Facilities, this Agreement shall remain in full force and effect and ArenaCo shall repair and restore the Parking Facilities, as applicable, to the Required Restoration Condition as soon as possible after the date of the damage or destruction, and in any event within 24 months after the date of the damage or destruction (which time shall be extended by such reasonable time as is commensurate with any reasonable delays due to Force Majeure Events,

adjustment or recovery of insurance, preparation of plans and specifications, bidding of contracts, the impact of any repairs and restoration with respect to any neighboring properties (including, without limitation, the Arena) and obtaining the necessary approvals from the City). In connection therewith, (i) the City shall have the right to review and approve (which approval shall not be unreasonably withheld, conditions, or delayed) all construction plans for such repair and restoration and to participate in the design and construction process to ensure that the reconstructed Parking Facilities will comply with the Operations Standard and the Maintenance and Repair Standard, and (ii) ArenaCo shall not approve any material changes in any material aspect of the Parking Facilities as originally constructed without the City's prior written approval, which shall not be unreasonably withheld, conditioned, or delayed.

7.2 Insurance Proceeds. Any insurance proceeds paid under any property insurance for the Parking Facilities required to be maintained pursuant to Section 6 as a result of damage or destruction of the Parking Facilities shall be allocated and distributed (i) first, for the repair or restoration of the Parking Facilities pursuant to the provisions of Section 7.1, and (ii) then, the remainder to ArenaCo subject to the rights of ArenaCo Lender under any Security Interest.

7.3 Condemnation.

- (A) *Total Condemnation.* In the event of any Condemnation Action, other than a temporary taking, that prevents the use of any portion of the Parking Facilities to the extent that the operations of ArenaCo or its Affiliates shall be materially impaired, in the reasonable judgment of ArenaCo, then ArenaCo shall have the right to terminate this Agreement by delivering written notice to the City within 90 days after the Condemnation Action becomes final (including all applicable appeals). If this Agreement is so terminated, any such termination shall be without penalty to ArenaCo or the City.
- (B) *Partial Condemnation.* If ArenaCo does not have a right to terminate this Agreement as a result of a Condemnation Action or elects not to do so, ArenaCo will use commercially reasonable efforts to, at no cost to City, as promptly as practicable and in any event within 12 months after such Condemnation Action, repair and restore any damage to the Parking Facilities resulting from such Condemnation Action to the Required Restoration Condition (which time shall be extended by such reasonable time as is commensurate with any reasonable delays due to Force Majeure Events, adjustment or recovery of insurance, preparation of plans and specifications, bidding of contracts, and obtaining the necessary approvals from the City).

- (C) *Proceedings.* To the maximum extent permitted by Applicable Law, ArenaCo and the City each shall have the right, at its own expense, to appear in any Condemnation Action and to participate in any and all hearings, trials, and appeals relating thereto even if this Agreement has been terminated. Each ArenaCo Lender shall also be entitled to appear and participate in any Condemnation Action and in any and all hearings, trials, and appeals relating thereto even if this Agreement has been terminated. Neither Party shall settle or compromise any right of the other Party to receive a Condemnation Award without the prior written consent of the other Party (and, with respect to ArenaCo's rights, the prior written consent of each ArenaCo Lender). Subject to the other provisions of this Section 7.3, in any Condemnation Action ArenaCo and the City shall each have the right to assert a claim for any Condemnation Awards for (i) the value of Parking Facilities and the Parking Land, (ii) the loss in value of its rights under this Agreement as if this Agreement had not terminated, and (iii) any other damages to which the City or ArenaCo, as applicable, may be entitled under Applicable Law.

7.4 *Condemnation Award.* Any Condemnation Awards awarded to either or both of City and ArenaCo shall be allocated and distributed as follows (notwithstanding any allocations of the Condemnation Awards made by the applicable Governmental Authority):

- (A) *Agreement Terminated.* If this Agreement is terminated pursuant to the provisions of Section 7.3, (i) first, to the ArenaCo Lenders and the Mezzanine Lenders to pay the outstanding amounts of the Security Interests, and the Mezzanine Financing, respectively, and (ii) second, the remainder to the City.
- (B) *Agreement Not Terminated.* If this Agreement is not terminated pursuant to the provisions of Section 7.3, (i) first, to the ArenaCo Lenders and the Mezzanine Lenders to resolve any impairment of their security, respectively, (ii) second, to pay for costs to repair and restore the Parking Facilities pursuant to the provisions of Section 7.3, and (iii) third, to the Parties pursuant to any allocations of the Condemnation Awards between the Parties made by the applicable Governmental Authority.

7.5 *Prompt Notice.* If either Party becomes aware of any damage or destruction of the Parking Land or the Parking Facilities, or any actual, contemplated, or threatened Condemnation Action, then such Party shall promptly notify the other Party and the ArenaCo Lender.

7.6 *Survival.* This Section 7 survives the expiration or earlier termination of this Agreement, but only insofar as such provisions relate to any damage or

destruction of the Parking Facilities (or insurance proceeds therefrom) or Condemnation Action (or Condemnation Award therefrom) that arose prior to the expiration or earlier termination of this Agreement.

8. Representations, Warranties, and Covenants

8.1 *Representations and Warranties of ArenaCo.* ArenaCo represents and warrants to the City that, as of the Effective Date:

- (A) *Organization.* ArenaCo is a limited liability company duly organized and validly existing under the laws of the State of Delaware. ArenaCo has all requisite power and authority to enter into this Agreement.
- (B) *Authorization; No Violation.* The execution, delivery and performance by ArenaCo of this Agreement have been duly authorized by all necessary action, will not violate the organizational documents of ArenaCo and will not result in the breach of, or constitute a default under, any material agreement to which ArenaCo is a party or by which ArenaCo or its material assets may be bound or affected. This Agreement has been duly executed and delivered by ArenaCo and constitutes valid and binding obligations of ArenaCo.
- (C) *No Conflicts.* This Agreement is not prohibited by and does not conflict with any judgments or decrees to which ArenaCo is a party or is otherwise subject.
- (D) *Litigation.* No suit is pending or, to the knowledge of ArenaCo, threatened against ArenaCo that could reasonably be expected to have a material adverse effect upon ArenaCo's performance under this Agreement or the financial condition or business of ArenaCo. There are no outstanding judgments against ArenaCo that would have a material adverse effect upon its assets, properties, or franchises.
- (E) *No Broker's Fees or Commissions.* ArenaCo has not incurred or created any liabilities or claims for broker's commissions or finder's fees in connection with the negotiation, execution or delivery of this Agreement.

8.2 *Representations and Warranties of the City.* The City represents and warrants to ArenaCo that, as of the Effective Date:

- (A) *Organization.* The City is a municipal corporation duly organized and validly existing under the laws of the State of California. The City has all requisite power and authority to enter into this Agreement.

- (B) *Authorization; No Violation.* The execution, delivery, and performance by the City of this Agreement have been duly authorized by all necessary action, will not violate the organizational documents of the City and will not result in the breach of, or constitute a default under, any material agreement to which the City is a party or by which the City or its material assets may be bound or affected. This Agreement has been duly executed and delivered by the City and constitutes valid and binding obligations of the City.
- (C) *No Conflicts.* This Agreement is not prohibited by and does not conflict with any judgments or decrees to which the City is a party or is otherwise subject.
- (D) *Litigation.* No suit is pending or, to the knowledge of the City, threatened against the City that could reasonably be expected to have a material adverse effect upon the City's performance under this Agreement, the Parking Land, the Parking Facilities, or the financial condition or business of the City other than as set forth on Schedule 8.2(D). There are no outstanding judgments against the City that would have a material adverse effect upon the Parking Facilities, the Parking Land, or the City's ability to perform its obligations under this Agreement.
- (E) *No Broker's Fees or Commissions.* The City has not incurred or created any liabilities or claims for broker's commissions or finder's fees in connection with the negotiation, execution, or delivery of this Agreement.

8.3 Mutual Covenants. Commencing with the Effective Date, each Party covenants and agrees to the other Party as follows:

- (A) *Additional Documents and Approval.* Each Party, whenever and as often as it shall be reasonably requested to do so by the other Party, shall execute or cause to be executed any further documents, take any further actions, and grant any further approvals as may be necessary in order to consummate the transactions provided for in this Agreement.
- (B) *Notice of Matters.* Should ArenaCo or the City receive knowledge about any matter that may constitute a breach of any of its representations, warranties, or covenants set forth in this Agreement, it shall promptly notify the other Party of the same in writing.

9. Default and Remedies

9.1 **ArenaCo Default.** Each of the following events will, unless otherwise expressly agreed by the City in writing, constitute an "ArenaCo Default" under this Agreement:

- (A) Any failure by ArenaCo to pay the Annual Fee within 15 days after receipt of written notice from the City of failure to pay such Annual Fee when due.
- (B) ArenaCo materially breaches or fails to comply with any material provision of this Agreement applicable to ArenaCo other than the obligation to pay the Annual Fee, and such breach or noncompliance continues for a period of 60 days after written notice thereof by the City to ArenaCo; or, if such breach or noncompliance cannot reasonably be cured within such 60-day period, ArenaCo does not commence to cure such breach or noncompliance within such 60-day period or, after commencing to cure such breach or noncompliance, does not thereafter pursue such cure in good faith to completion.
- (C) Except as otherwise permitted under Section 13, the Management Rights are taken upon execution or by other process of law attached against ArenaCo, or is subject to any attachment by any creditor or claimant against ArenaCo and such attachment is not discharged or disposed of within 90 days after levy.
- (D) ArenaCo files a petition in bankruptcy or insolvency, or for reorganization or arrangement under any Applicable Laws related to bankruptcy or insolvency, or voluntarily takes advantage of any such Applicable Laws by answer or otherwise, or dissolves or makes a general assignment for the benefit of creditors, or involuntary proceedings under any such Applicable Laws or for the dissolution of ArenaCo are instituted against ArenaCo, or a receiver or trustee is appointed for all or substantially all of ArenaCo's property, and such involuntary proceedings are not dismissed or such receivership or trusteeship vacated within 90 days after such institution or appointment.

9.2 **City's Remedies.** If any ArenaCo Default occurs, the City shall have the right, at the City's election, subject to the rights of ArenaCo Lenders, if any, under Section 13, to exercise any one or more of the remedies described below. Exercise of any of such remedies shall not prevent the concurrent or subsequent exercise of any other remedy provided for in this Agreement or otherwise available to the City at law or in equity, except as otherwise expressly stated in this Agreement.

- (A) The City may, at the City's option but without obligation to do so, and without releasing ArenaCo from any obligations under this Agreement, make any payment or take any action as the City deems necessary or desirable to cure any ArenaCo Default in such manner and to such extent as the City in good faith deems necessary or desirable. ArenaCo shall pay the City, upon demand, all reasonable advances, costs, and expenses of the City in connection with making any such payment or taking any such action, including reasonable attorneys' fees, together with interest on all such amounts at the Default Rate from the date of payment of any such advances, costs, and expenses by the City.
- (B) The City may sue ArenaCo for and obtain damages, specific performance, other equitable relief, or any combination of the foregoing; provided, however, that the City may not terminate this Agreement for an ArenaCo Default except as provided in Section 9.2(C).
- (C) If the City prevails on any suit brought under Section 9.2(B), obtains a judgment for damages, specific performance, other equitable relief, or any combination of the foregoing, and ArenaCo either (i) fails to pay such damages within ten days after such judgment (including all applicable appeals thereto) becomes final, or (ii) fails to otherwise comply with such judgment within the time periods set forth therein or, if no time periods are set forth therein, within a reasonable period of time after such judgment (including all applicable appeals thereto) becomes final but, subject to Force Majeure Events, in no event more than 120 days after such judgment (including all applicable appeals thereto) becomes final, then the City may, by written notice to ArenaCo and the ArenaCo Lender, (x) terminate this Agreement, which termination shall be effective on the date specified in such notice (which date may not be earlier than 30 days after the date of such notice or, if such notice is given during, or within 30 days prior to the commencement of, a Basketball Season (as defined in the Team Agreement), ten Business Days after the end of such Basketball Season), and following receipt of such notice, ArenaCo shall vacate the Parking Facilities on or before the effective date thereof, failing which, the City may institute dispossessory proceedings, or (y) if the ArenaCo Default for which the judgment was obtained relates to a material breach of Section 3.3 by ArenaCo, the City may, at the City's option, require ArenaCo to engage a new management company to operate and manage the Parking Facilities, which management company must (1) have at least five years' experience in operating and managing parking facilities of comparable size and operations (including without limitation technological functionality) to the Parking Facilities and (2) be approved by the City and the Arena Lender (such approval not to be unreasonably withheld, conditioned, or delayed).

ARENA PARKING MANAGEMENT AGREEMENT

- 9.3 **City Event of Default.** Unless otherwise expressly agreed by ArenaCo in writing, it shall be a "City Event of Default" under this Agreement if the City materially breaches or fails to comply with any material provision of this Agreement applicable to the City, and such breach or noncompliance continues for a period of 60 days after written notice thereof by ArenaCo to the City; or, if such breach or noncompliance cannot reasonably be cured within such 60-day period, the City does not commence to cure such breach or noncompliance within such 60-day period or, after commencing to cure such breach or noncompliance, does not thereafter pursue such cure in good faith to completion.
- 9.4 **ArenaCo's Remedies.** If any City Event of Default occurs, ArenaCo shall have the right, at ArenaCo's election, subject to the rights of ArenaCo Lenders, if any, under Section 13, to exercise any one or more of the remedies described below. Exercise of any of such remedies shall not prevent the concurrent or subsequent exercise of any other remedy provided for in this Agreement or otherwise available to ArenaCo at law or in equity, except as otherwise expressly stated in this Agreement.
- (A) ArenaCo may, at ArenaCo's option but without obligation to do so, and without releasing the City from any obligations under this Agreement, make any payment or take any action as ArenaCo deems necessary or desirable to cure any City Event of Default in such manner and to such extent as ArenaCo in good faith deems necessary or desirable. The City shall pay ArenaCo, upon demand, all reasonable advances, costs, and expenses of ArenaCo in connection with making any such payment or taking any such action, including reasonable attorneys' fees, together with interest on all such amounts at the Default Rate from the date of payment of any such advances, costs, and expenses by ArenaCo.
- (B) ArenaCo may sue the City for and obtain damages, specific performance, other equitable relief, or any combination of the foregoing; provided, however, that ArenaCo may not terminate this Agreement for a City Event of Default, except as provided in Section 9.4(D).
- (C) If ArenaCo prevails on any suit brought under Section 9.4(B), obtains a judgment for damages, and the City fails to pay such damages within ten days after such judgment (including all applicable appeals thereto) becomes final, then ArenaCo may off-set the amount of such unpaid judgment against the next installment(s) of the Annual Fee payable under this Agreement and the Arena Agreement until such judgment has been paid in full.
- (D) If ArenaCo prevails on any suit brought under Section 9.4(B) with respect to a material breach of the City's grant of rights to ArenaCo to use the

Parking Facilities as provided in this Agreement (including a breach of the City's obligation set forth in the second sentence of Section 1.3(B)), obtains a judgment for specific performance and the City fails to comply with such judgment within the time periods set forth therein or, if no time periods are set forth therein, within a reasonable period of time after such judgment (including all applicable appeals thereto) becomes final but, subject to Force Majeure Events, in no event more than 120 days after such judgment (including all applicable appeals thereto) becomes final, ArenaCo may, subject to the rights of ArenaCo Lender, if any, terminate this Agreement by written notice to the City, which termination shall be effective on the date specified in such notice (but not less than 30 days after the date of such notice).

9.5 **Waiver.** The Parties hereby waive any and all rights to consequential, punitive, or exemplary damages for an ArenaCo Default or a City Event of Default, as the case may be.

10. **Title; Surrender**

10.1 **Title.** ArenaCo acknowledges and agrees that, upon the Management Rights Commencement Date and for the remainder of the Management Rights Term, the City will own and have title (free and clear of any liens, encumbrances, or security interests, other than those matters of record affecting the Parking Facilities as of the Effective Date and such additional matters as described in Project Agreements) to the Parking Land, the Parking Facilities, and all improvements that are now or hereafter permanently fixed to the Parking Land or to the Parking Facilities, notwithstanding the fact that the same may have been, or may be, as appropriate, acquired, financed, installed or placed on the Parking Land or in Parking Facilities by ArenaCo.

10.2 **Surrender.** During the last year of the Term, ArenaCo and City shall coordinate and cooperate such that (A) without limiting ArenaCo's obligations with respect to the Parking Facilities in this Agreement, the Parking Facilities remain fully operational during such year, and (B) City has reasonable access and rights to make modifications to the Parking Facilities to prepare for taking over operations immediately upon the Expiration Date. During the year prior to the last year of the Term, City and ArenaCo shall (at their shared cost) hire an experienced parking professional reasonably acceptable to the Parties to assess the Parking Facilities and recommend any modifications, repairs, replacements, or upgrades (the "**ArenaCo Surrender Obligations**") necessary to provide at least five years of useful life following the Expiration Date to all such facilities. ArenaCo shall perform all ArenaCo Surrender Upgrades during the last year of the Term at its own cost and expense. All modifications, repairs, replacements, or upgrades that are not ArenaCo Surrender Obligations, and that are either (A) required to

make the Parking Facilities compatible with the City's then-current parking operations because ArenaCo is implementing PARCS Matching; or (B) desired by City, shall be performed by ArenaCo (at ArenaCo's option) or City during the last year of the Term, at the City's sole cost and expense. Upon the Expiration Date, ArenaCo shall peaceably and quietly leave, surrender, and yield to the City (i) the Parking Land and the Parking Facilities, free of tenancies, in a reasonably clean condition, normal wear and tear excepted, and free of debris and otherwise in the condition required under this Agreement (including the requirements of Section 3.3; it being understood that, if ArenaCo is then-currently implementing PARCS Integrated, and the Parking Facilities are connected to and fully interfacing with PARCS consistent with other City parking facilities, upon the expiration of the Term, the Parking Facilities shall remain PARCS Integrated, (ii) all keys and codes for the Parking Facilities, and (iii) all plans and specifications, operating manuals, computer programs and software, and other personal property, tangible or intangible, used in connection with the operation or management of the Parking Facilities or the systems within the Parking Facilities (to the extent, in the case of any third party's personal property, the same are in the possession or control of ArenaCo or any of its Affiliates). Without limiting the foregoing, if at any time during the Term ArenaCo implemented PARCS Matching (or otherwise installed fiber optic or other communications facilities to connect the Parking Facilities independent of the City's systems), unless otherwise determined by the City, such facilities shall remain in place and shall become the property of City upon the Expiration Date. ArenaCo shall remove or cause to be removed at or prior to the Expiration Date any personal property of ArenaCo or any of ArenaCo's sublicensees to the extent the same are not used in connection with the operation or management of the Parking Facilities or the systems within the Parking Facilities, and shall repair, at ArenaCo's sole cost and expense, any damage to the Parking Facilities or the Parking Land caused by ArenaCo's removal of such personal property. To the extent ArenaCo fails to surrender the Parking Land and the Parking Facilities to the City in the condition required by this Section 10.2, the City shall have the right (in addition to all other rights and remedies under this Agreement), but not the obligation, to put the Parking Land and the Parking Facilities in such condition and ArenaCo shall reimburse the City promptly upon demand for any costs incurred by the City with respect thereto (including any costs incurred by the City with respect to removal, transportation, or storage of abandoned items of personal property).

- 10.3 Other Agreements.** The City acknowledges that it shall assume the rights, responsibilities, and obligations of ArenaCo under the POMA following the expiration or termination of this Agreement, and therefore ArenaCo shall not enter into any agreements for the Parking Facilities pursuant to this Agreement that would extend beyond the Term without City's prior written consent and approval. The City and ArenaCo acknowledge that in connection with the further development of the areas adjacent to the Arena, certain development uses may

require the grant of long term parking rights (such as for hotels and residences), and that the City may approve (or disapprove) such long term rights and agreements in connection with those development projects by ArenaCo or its Affiliates, provided that nothing herein shall alter limit the City's rights of review and approval under Applicable Law or powers or duties of the City (including the police powers of the City).

11. Indemnification

- 11.1 ArenaCo.** To the extent permitted by Applicable Law, ArenaCo agrees to indemnify and hold harmless the City and its officers, agents, and employees from and against any and all liabilities, damages, suits, claims, and judgments of any nature (including reasonable attorneys' fees and expenses) ("**Losses**") arising from or in connection with ArenaCo's, or ArenaCo's Affiliates, or their respective agents', contractors', employees', licensees', or invitees', use of the Parking Facilities and the Parking Land, except (A) to the extent such Losses arise from matters for which the City is required to indemnify ArenaCo pursuant to Section 11.2, (B) if such Losses were caused by the sole negligence of the City, or (C) any Losses for which the City is required to indemnify ArenaCo in the Interim Agreement.
- 11.2 The City.** To the extent permitted by Applicable Law, the City agrees to indemnify and hold harmless ArenaCo, its Affiliates and their owners, its officers, agents, and employees from and against any and all Losses arising from or in connection with (A) City's gross negligence or willful misconduct; and (B) Pre-Existing Violations.
- 11.3 Procedures.** If any Person that is entitled to indemnification for Losses under this Section 11 (the "**Indemnitee**") discovers or has actual notice of such Losses, the Indemnitee shall, within 20 days, notify (or cause to be notified) the Party that is liable therefor under this Section 11 (the "**Indemnifying Party**") in writing thereof together with a statement of such information respecting such matter as the Indemnitee then has; provided, however, the failure to notify the Indemnifying Party shall not relieve the Indemnifying Party from any liability that it may have to the Indemnitee except and solely to the extent that such failure or delay in notification shall have adversely affected the Indemnifying Party's ability to defend against, settle, or satisfy any such Losses. The Indemnifying Party shall be entitled, at its cost and expense, to appoint counsel ("**Defense Counsel**") to defend any such Losses by all appropriate legal proceedings provided the Indemnifying Party shall have first notified the Indemnitee of the Indemnifying Party's intention to do so within 20 days after the Indemnifying Party's receipt of such notice from the Indemnitee. If the Indemnitee elects to join in any defense of Losses (which shall be at the Indemnitee's sole cost and expense), the Indemnifying Party shall have full authority to determine all action to be taken

with respect thereto. If, after such opportunity, the Indemnifying Party elects not to defend such Losses, the Indemnitee shall have the right to appoint Defense Counsel to conduct the defense of such Losses in good faith, which defense will be vigorously and diligently prosecuted by the Indemnitee to a final conclusion or, with the consent of the Indemnifying Party (which shall not be unreasonably withheld, conditioned, or delayed), settlement, and the Indemnifying Party shall be bound by such final conclusion or approved settlement. If required by the Indemnifying Party, the Indemnitee shall cooperate fully with the Indemnifying Party and the Indemnifying Party's attorneys in contesting any such Losses or, if appropriate, in making any counterclaim or cross complaint against the Person asserting the Losses against the Indemnitee, but the Indemnifying Party will reimburse the Indemnitee for any expenses incurred by the Indemnitee in so cooperating. The Indemnifying Party shall pay to the Indemnitee in cash all amounts to which the Indemnitee may become entitled by reason of the provisions of this Section 11, such payment to be made within 30 days after such amounts are finally determined either by mutual agreement or by non-appealable judgment of a court of competent jurisdiction. Notwithstanding that the Indemnifying Party is actively conducting a defense or contest of any Losses against the Indemnitee, such Losses may be settled, compromised or paid by the Indemnitee without the consent of the Indemnifying Party; provided, however, that if such action is taken without the Indemnifying Party's consent, the Indemnifying Party's obligations with respect thereto shall be terminated, and the Indemnifying Party shall have no obligation to the Indemnitee. If the Indemnifying Party elects to defend such Losses, the Indemnifying Party shall have the right to conduct the defense of such Losses in good faith and settle the Losses in good faith without the prior consent of the Indemnitee so long as such settlement or compromise (A) does not cause the Indemnitee to incur any present or future material cost, expense, obligation or liability of any kind or nature, (B) does not require any admission or action or forbearance from action by the Indemnitee, and (C) the Indemnitee is released from all Losses.

11.4 Procedures. The obligations contained in this Section 11 will survive the expiration or earlier termination of this Agreement but only with respect to an event that may give rise to Losses that occur prior to such termination.

12. Estoppel Certificate; Memorandum of Agreement

12.1 Estoppel Certificate. Each of the Parties shall, upon the reasonable request of the other (or any current or prospective source of financing for the City, ArenaCo, or any of their Affiliates or any transferee or assignee), and in each case within ten Business Days after the other Party has requested it, execute and deliver to the appropriate Persons a certificate in recordable form stating:

- (A) That this Agreement is unmodified and is in full force and effect (or, if there have been modifications, that this Agreement is in full force and effect as modified and stating the modifications or, if this Agreement is not in full force and effect, that such is the case);
- (B) That, to the knowledge of the Party providing the certificate, there are no defaults by it or the other Party under this Agreement (or specifying each such default as to which it may have knowledge);
- (C) The Effective Date, the Management Rights Commencement Date, and the then-current Expiration Date;
- (D) The date(s) to which any financial obligation of the Party has been paid under this Agreement;
- (E) To the knowledge of the Party providing the certificate, whether there are any counterclaims against the enforcement of any Party's obligations under this Agreement; and
- (F) Any other matters reasonably requested.

12.2 Memorandum of Agreement. At any time ArenaCo may cause a memorandum of this Agreement or any amendment hereto to be recorded in the recorder's office for the County of Sacramento and the Parties shall each pay and discharge fifty percent (50%) of costs, fees, and taxes in connection therewith. The form of such memorandum (and any amendment thereto in the event that this Agreement is amended) shall be subject to the approval of the City (not to be unreasonably withheld, conditioned, or delayed) prior to the recordation thereof, and the City shall sign such memorandum when so requested by ArenaCo.

13. Security Interests

13.1 Right to Obtain Security Interests. Notwithstanding anything to the contrary contained in this Agreement, ArenaCo shall have the right, without the City's consent, to execute and deliver one or more Security Interests encumbering ArenaCo's interest in this Agreement ("**Management Rights**") or the direct or indirect ownership interests in ArenaCo at any time and from time to time provided that (A) no such Security Interest shall encumber the Fee Estate, (B) the proceeds from the debt secured by such Security Interest specifically intended for the Parking Facilities will not be used for purposes other than the negotiation of all Project Agreements, the design, development, construction, financing, management, maintenance, repair, replacement, leasing, or operation of the Parking Facilities, and (C) each ArenaCo Lender must be an Institutional Lender. The City shall not be required to join in or subordinate the Fee Estate to any

Security Interest and no such Security Interest shall extend to or affect the Fee Estate. Each Security Interest shall provide that the ArenaCo Lender shall send to the City copies of all notices of default sent to ArenaCo in connection with the Security Interest or the debt secured thereby, provided that the failure to provide any such notice shall not affect the validity of the notice as against ArenaCo.

13.2 *Effect of a Security Interest.* Notwithstanding anything to the contrary in this Agreement, ArenaCo's making of a Security Interest shall not be deemed to constitute an Assignment of the Management Rights, nor shall any ArenaCo Lender, as such, or in the exercise of its rights under this Agreement, be deemed to be an assignee or transferee of a lender in possession of the Management Rights so as to require such ArenaCo Lender, as such, to assume or otherwise be obligated to perform any of ArenaCo's obligations under this Agreement except when, and then only for so long as, such ArenaCo Lender has acquired ownership and possession of the Management Rights pursuant to a Foreclosure Event (as distinct from its rights under this Agreement to cure defaults or exercise ArenaCo Lender's Cure Rights). No ArenaCo Lender (or other Person acquiring the Management Rights pursuant to a Foreclosure Event) shall have any liability beyond its interest in this Agreement nor shall ArenaCo Lender (or any person acquiring the Management Rights pursuant to a Foreclosure Event under a Security Interest) be liable under this Agreement unless and until such time as it becomes the owner of the Management Rights. Without further notice to or consent from the City, the City recognizes and agrees that a ArenaCo Lender may acquire directly, or may cause its assignee, nominee, or designee to acquire, the Management Rights through a Foreclosure Event and such party shall enjoy all the rights and protections granted to ArenaCo Lender under this Agreement with the same force and effect as if such party were the ArenaCo Lender itself.

13.3 *Foreclosure; Further Assignment.* Notwithstanding anything to the contrary in this Agreement, any Foreclosure Event, or any exercise of rights or remedies under any Security Interest, shall not be deemed to violate this Agreement or require the consent of the City. If a ArenaCo Lender or a successor or assignee of a ArenaCo Lender, or an Affiliate thereof acquires ArenaCo's Management Rights following a Foreclosure Event, or if a ArenaCo Lender or a successor or assignee of a ArenaCo Lender, or an Affiliate thereof enters into a New Agreement, such ArenaCo Lender or successor or assignee of a ArenaCo Lender, or an Affiliate thereof, successor, assign or Affiliate of ArenaCo Lender shall enjoy all of the rights and protections granted to ArenaCo Lender under this Agreement with the same force and effect as if such successor, assign or Affiliate were the ArenaCo Lender itself and may thereafter assign or transfer this Agreement or such New Agreement without prior notice to or consent of the City's, provided the assignee or transferee expressly agrees in writing to assume and to perform all of the obligations under this Agreement or such New Agreement, as the case

may be, from and after the effective date of such assignment or transfer. No ArenaCo Lender (or person acquiring the Management Rights pursuant to a Foreclosure Event under a Security Interest) shall have any liability beyond its interest in this Agreement nor shall ArenaCo Lender (or person acquiring the Management Rights pursuant to a Foreclosure Event under a Security Interest) be liable under this Agreement unless and until such time as it becomes, and then only for so long as it remains, the owner of the Management Rights.

- 13.4 Notice of Security Interests.** Promptly after ArenaCo enters into any Security Interest, ArenaCo shall request the ArenaCo Lender thereunder to deliver to the City a true and correct copy of the Security Interest together with written notification specifying the name and address of the ArenaCo Lender. Such ArenaCo Lender shall be entitled to all the rights and protections of a ArenaCo Lender under this Agreement (as against both the City and any successor holder of the Fee Estate) from and after (and only from and after) such date as the City receives the foregoing materials. The City agrees to acknowledge to ArenaCo and such ArenaCo Lender the City's receipt of any such materials and, following notification thereof, notice of any Assignment of such Security Interest and to confirm that such ArenaCo Lender is or will be, upon closing of its financing or its acquisition of an existing Security Interest, entitled to all of the rights and protections granted to ArenaCo Lender under this Agreement with the same force and effect as if such successor, assign or Affiliate were the ArenaCo Lender itself, in this Agreement, including after any premature termination of this Agreement. If the City has received notice of any Security Interest, then such notice shall automatically bind the City's successors and assigns.
- 13.5 Modifications Required by ArenaCo Lender.** If, in connection with obtaining, continuing, or renewing any financing for which the Management Rights, or the direct or indirect equity interests in ArenaCo, represents collateral in whole or in part, the ArenaCo Lender requires any modifications of this Agreement as a condition to such financing, then the City shall, at ArenaCo's or such ArenaCo Lender's request, promptly consider any such modifications in good faith. If such modifications do not (A) modify the Annual Fee or the Term, or (B) lessen the City's rights or increase the City's obligations under this Agreement by more than a de minimis amount in the reasonable judgment of the City, then the City shall execute and deliver to ArenaCo an amendment to this Agreement to effect such modifications.
- 13.6 Further Assurances.** Upon request by ArenaCo or by any existing or prospective ArenaCo Lender, the City shall deliver to the requesting party such documents and agreements as the requesting party shall reasonably request to further effectuate the intentions of the Parties as set forth in this Agreement, including a separate written instrument in recordable form signed and acknowledged by the City setting forth and confirming, directly for the benefit of ArenaCo Lender and

its successors and assigns, any or all rights of ArenaCo Lender; provided, however, that ArenaCo shall reimburse the City immediately upon demand therefor for any and all reasonable third party costs or expenses actually incurred by the City in complying with this Section 13.6.

13.7 Protection of ArenaCo Lenders. Notwithstanding anything to the contrary set forth in this Agreement, if, and only for so long as, any Security Interest is in effect (and the City shall have been notified thereof as provided above), the following shall apply:

- (A) *Lease Impairments.* Any Lease Impairment made without First ArenaCo Lender's prior written consent (or any deemed consent under its Security Interest) shall be null, void, and of no further force or effect, and shall not bind ArenaCo, ArenaCo Lender, or New Operator. For clarification, this Section 13.7(A) shall be inapplicable during any period that no Security Interest is in effect.
- (B) *Copies of Notices.* If the City shall give any notice to ArenaCo under this Agreement, then the City shall at the same time and by the same means give a copy of such notice to any ArenaCo Lender. No notice to ArenaCo shall be effective unless and until such notice has been duly given to ArenaCo Lender, provided the City has received notice of such ArenaCo Lender pursuant to Section 13.4. No exercise of the City's rights and remedies under or termination of this Agreement shall be deemed to have occurred or arisen or be effective unless the City has given like notice to each ArenaCo Lender as this Section 13.7(B) requires. Any such notice shall describe in reasonable detail the alleged ArenaCo default or other event allegedly entitling the City to exercise such rights or remedies.
- (C) *ArenaCo's Cure Period Expiration Notice.* If ArenaCo is in default under this Agreement and the cure period applicable to ArenaCo expires without cure of ArenaCo's default, then the City shall promptly give notice of such fact to any ArenaCo Lender, which notice shall describe in reasonable detail ArenaCo's default (an "**ArenaCo's Cure Period Expiration Notice**").
- (D) *Right to Perform Covenants and Agreements.* Any ArenaCo Lender shall have the right, but not the obligation, to perform any obligation of ArenaCo under this Agreement and to remedy any default by ArenaCo. The City shall accept performance by or at the instigation of a ArenaCo Lender in fulfillment of ArenaCo's obligations, for the account of ArenaCo, and with the same force and effect as if performed by ArenaCo. No performance by or on behalf of such ArenaCo Lender shall cause it to

become a lender in possession or otherwise cause it to be deemed to be in possession of the Parking Facilities or bound by or liable under this Agreement.

- (E) *Notice of Default and Cure Rights.* Upon receiving any notice of default, any ArenaCo Lender shall have the right within the same cure period granted to ArenaCo under this Agreement, plus the additional time provided for below within which to take (if any ArenaCo Lender so elects) whichever of the actions set forth below in the remainder of this Section 13.7 shall apply as to the default described in such notice of default (such actions, "**ArenaCo Lender's Cure**"; and a ArenaCo Lender's rights to take such actions, including pursuit of an Enforcement Action, "**ArenaCo Lender's Cure Rights**").
- (F) *Monetary Defaults.* In the case of a monetary default, any ArenaCo Lender shall be entitled (but not required) to cure such default within a cure period consisting of ArenaCo's cure period under this Agreement extended through the date 30 days after such ArenaCo Lender shall have received ArenaCo's Cure Period Expiration Notice as to such monetary default.
- (G) *Nonmonetary Defaults Curable Without Obtaining Possession.* In the case of any nonmonetary default that any ArenaCo Lender is reasonably capable of curing without obtaining possession of the Parking Facilities (excluding in any event a Personal Default), such ArenaCo Lender, provided that the Annual Fee shall continue to be paid timely during the pendency of such extended cure period, shall have the right (but not the obligation) to cure such nonmonetary default by taking the following actions:
 - (1) Within a period consisting of ArenaCo's cure period for such nonmonetary default, extended through the date 30 days after receipt of ArenaCo's Cure Period Expiration Notice as to such default, such ArenaCo Lender shall provide written notice to the City of such ArenaCo Lender's intention to take all reasonable steps necessary to remedy such default (it being understood that such notice is a statement of intention and not an obligation); and
 - (2) Duly commence the cure of such nonmonetary default within such extended period, and thereafter (during and after such extended period) diligently prosecute to completion the remedy of such default, but, subject to Force Majeure Events, in no event more than 120 days after ArenaCo Lender's receipt of ArenaCo's Cure Period Expiration Notice as to such default.

- (3) For the purposes of this Section 13.7(G), a nonmonetary default will not be deemed incapable of cure by an ArenaCo Lender simply because the timeline for performance of the underlying obligation has passed.
- (H) *Defaults Curable Only by Obtaining Possession and Personal Defaults.* In the case of (i) a nonmonetary default that is not reasonably susceptible of being cured by such ArenaCo Lender without obtaining possession of the Parking Facilities or (ii) a Personal Default by ArenaCo, such ArenaCo Lender shall be entitled (but not required) to proceed as described in Sections 13.7(I) and 13.7(J) (provided that (x) the Annual Fee shall continue to be paid timely during the pendency of such extended cure period, and (y) with respect to any nonmonetary defaults outstanding under Section 13.7(G), such ArenaCo Lender shall be exercising its ArenaCo Lender's Cure Rights thereunder).
- (I) *During Cure Period.* At any time during the cure period (if any) that applies to ArenaCo, extended through the date that is 90 days after such ArenaCo Lender's receipt of ArenaCo's Cure Period Expiration Notice as to such nonmonetary default, or if no cure period applies to ArenaCo, then within 90 days after such ArenaCo Lender's receipt of notice of such default, such ArenaCo Lender shall be entitled to institute proceedings, and (subject to any stay in any Bankruptcy Proceedings affecting ArenaCo or any injunction, unless such stay or injunction is lifted) provided that from and after the institution of such proceedings, such ArenaCo Lender shall diligently prosecute the same to completion, to obtain possession of the Parking Facilities as security interest holder (including possession by a receiver), or acquire directly, or cause its assignee, nominee, or designee to acquire, the Management Rights through a Foreclosure Event, or foreclose on its pledged collateral, as applicable (the obtaining of such possession or the completion of such acquisition, "**Control of the Parking Facilities**").
- (1) *Further Cure After Control of Parking Facilities.* Upon obtaining Control of the Parking Facilities (whether before or after expiration of any otherwise applicable cure period), such ArenaCo Lender or, in the event the Management Rights are acquired through a Foreclosure Event, such New Operator, shall then be entitled (but not required) to proceed with reasonable diligence and reasonable continuity to cure such nonmonetary defaults as are then reasonably susceptible of being cured by such Security Interest or New Operator (excluding ArenaCo's Personal Defaults, which ArenaCo Lender need not cure), within a reasonable time under the circumstances but, subject to Force Majeure Events, in

no event more than 120 days after ArenaCo Lender obtains Control of the Parking Facilities.

- (2) *Effect of Cure.* Upon the cure of a default by such ArenaCo Lender or New Operator, as the case may be, in accordance with this Agreement, this Agreement shall continue in full force and effect as if no default(s) had occurred. ArenaCo Lender's exercise of ArenaCo Lender's Cure Rights shall not be deemed an assumption of this Agreement in whole or in part.

(J) *Forbearance by the City.*

- (1) So long as a ArenaCo Lender shall be diligently exercising its ArenaCo Lender's Cure Rights, including the commencement and pursuit of an Enforcement Action, within the applicable cure periods set forth above, the City shall not, to the extent permitted under this Agreement, (i) re-enter the Parking Facilities to cure the ArenaCo Event of Default, (ii) bring a proceeding on account of such default to (a) re-enter the Parking Facilities to cure the ArenaCo Event of Default, (b) dispossess ArenaCo or other occupants of the Parking Facilities, (c) terminate the Management Rights, or (d) replace the management company pursuant to Section 9.2(C), or (iii) accelerate payment of the Annual Fee or any other amounts payable by ArenaCo under this Agreement. Upon (A) any cessation of a ArenaCo Lender exercising ArenaCo Lender's Cure Rights, or (B) the expiration of the applicable cure period, as extended in connection with ArenaCo Lender's Cure Rights, without cure, the City may, upon notice to such ArenaCo Lender, exercise any of the City's rights under this Agreement with respect to dispossession or termination. Notwithstanding the foregoing, the City shall have the right to re-enter the Parking Facilities, or bring a proceeding to so re-enter the Parking Facilities, to cure the applicable ArenaCo Event of Default if the ArenaCo Lender that is exercising its ArenaCo Lender's Cure Rights does not have Control of the Parking Facilities at such time; provided, however, that (1) the City gives prior written notice thereof to such ArenaCo Lender, and (2) no such cure by the City shall be deemed to diminish any of the ArenaCo Lender's Cure Rights. Nothing in this Section 13.7(J)(1) will be deemed to diminish or other restrict the City's access rights under Section 3.4.
- (2) Nothing in this Section 13 shall, however, be construed to either (i) extend the Term beyond the Expiration Date that would have

applied if no default had occurred or (ii) require any ArenaCo Lender to cure any Personal Default by ArenaCo as a condition to preserving this Agreement or to obtaining a New Agreement (but this shall not limit such ArenaCo Lender's obligation to seek to obtain Control of the Parking Facilities, and thereafter consummate a Foreclosure Event, by way of ArenaCo Lender's Cure Rights, if such ArenaCo Lender desires to preclude the City from terminating this Agreement on account of a Personal Default of ArenaCo).

- (3) Nothing in this Section 13 shall preclude the City from exercising its rights to sue for damages, specific performance, or other equitable relief (excluding "self-help", dispossession, termination, or engagement of new management company) under Section 9.2(B).

- (K) *ArenaCo Lender's Right to Enter Parking Facilities.* The City and ArenaCo authorize each ArenaCo Lender to enter the Parking Facilities and the Parking Land as necessary to effect ArenaCo Lender's Cure and take any action(s) reasonably necessary to effect ArenaCo Lender's Cure without such action being deemed to give ArenaCo Lender possession of the Parking Facilities or the Parking Land.

- (L) *Rights of New Operator Upon Acquiring Control.* If any New Operator shall acquire the Management Rights pursuant to a Foreclosure Event and shall continue to exercise ArenaCo Lender's Cure Rights as to any remaining defaults (other than Personal Defaults, which New Operator need not cure), then any Personal Defaults by ArenaCo shall no longer be deemed defaults and the City shall recognize the rights of such New Operator hereunder as if such New Operator were ArenaCo.

- (M) *Interaction Between Agreement and Security Interest.* ArenaCo's default as grantor under a Security Interest shall not constitute a default under this Agreement, except to the extent that ArenaCo's actions or failure to act in and of itself constitutes a breach of this Agreement. The exercise of any rights or remedies of a ArenaCo Lender under a Security Interest, including the consummation of any Foreclosure Event, shall not constitute a default under this Agreement (except to the extent such actions otherwise constitute a breach of this Agreement).

13.8 First ArenaCo Lender's Right to a New Agreement.

- (A) If this Agreement shall terminate by reason of the City exercising any right it has under this Agreement to terminate, a rejection in ArenaCo's

bankruptcy, or option of ArenaCo to treat this Agreement as terminated under 11 U.S.C. § 365(h)(1)(A)(i), or any comparable provision of law, the City shall promptly give notice of such termination to any ArenaCo Lender of which the City has notice. The City shall, upon a ArenaCo Lender's request given within 30 days after such ArenaCo Lender's receipt of such notice, enter into (and if the City fails to do so, shall be deemed to have entered into) a new lease of the Parking Facilities effective as of (or retroactively to) the date of the termination of this Agreement, for the remainder of the Term, as if no termination had occurred, with a New Operator on the same terms and provisions of this Agreement, including all rights, options, privileges, and obligations of ArenaCo under this Agreement, but excluding any requirements that have already been performed or no longer apply (a "**New Agreement**"), provided that the First ArenaCo Lender shall, at the time of execution and delivery of such New Agreement, (i) pay the City any and all Annual Fees and other sums then due under this Agreement (determined as if this Agreement had not been terminated), and (ii) cure any nonmonetary defaults (other than Personal Defaults, which First ArenaCo Lender need not cure) under this Agreement (determined as if this Agreement had not been terminated) or, if such nonmonetary default is of a nature that it cannot with due diligence be cured upon such execution and delivery, then the First ArenaCo Lender shall (x) upon such execution and delivery, advise the City of its intention to take all steps necessary to remedy such nonmonetary default (other than Personal Defaults, which First ArenaCo Lender need not cure), and (y) promptly and duly commence the cure of such default and thereafter diligently prosecute to completion the remedy of such default, which completion must be achieved within a reasonable time under the circumstances, subject to Force Majeure Events. In no event, however, shall the New Operator be required to cure a Personal Default of ArenaCo as a condition to obtaining or retaining a New Agreement or otherwise. From the date this Agreement terminates until the date of execution and delivery of any such New Agreement (the "**New Agreement Delivery Date**"), the City may, at its option, perform the day-to-day operations, maintenance, and repair of the Parking Facilities and the Parking Land; provided, however, the City shall not (1) operate the Parking Facilities or the Parking Land in an unreasonable manner, (2) grant use rights to the Parking Facilities or the Parking Land except to New Operator. Notwithstanding anything to the contrary contained herein, if the provisions of this Section 13.8 are triggered by reason of the City exercising its right to terminate this Agreement pursuant to Section 9.2(C)(i) by reason of ArenaCo's failure to pay damages within ten days after the City obtains a judgment therefor, then all rights of all ArenaCo Lenders under this Section 13.8 shall

automatically terminate if the City has not received payment in full in respect of such judgment by the date that is 60 days after such termination.

- (B) The following additional provisions shall apply to any New Agreement:
- (1) *Form and Priority.* Any New Agreement (or, at the City's option, a memorandum thereof) shall be in recordable form. Such New Agreement shall not be subject to any rights, liens, or interests other than permitted exceptions and other exceptions to title existing as of the date of such New Agreement which were not created by the City. The New Agreement shall be expressly made subject to any rights of ArenaCo prior to the termination of this Agreement.
 - (2) *Adjustment for Net Income/Net Loss.* On the New Agreement Delivery Date, if during the period from the termination date of this Agreement to the New Agreement Delivery Date the revenue derived from the Parking Facilities and actually received by the City (excluding from income the amount of any Annual Fee payable under this Agreement and actually received by the City) exceeds the expenses actually incurred by the City in connection with the Parking Facilities, then, on the New Agreement Delivery Date, the City shall pay to the New Operator the amount of such excess. Alternatively, if during such period the City's expenses exceed the City's revenues, then, on the New Agreement Delivery Date, the New Operator shall pay to the City the amount of such excess. In either event, the New Operator shall, on the New Agreement Delivery Date, pay to the City all sums required to be paid the City pursuant to this Agreement.
 - (3) *Assignment of Certain Items.* On the New Agreement Delivery Date, the City shall assign to New Operator all of the City's right, title and interest in and to all moneys (including security deposits, insurance proceeds, and condemnation awards), if any, then held by, or payable to, the City that ArenaCo (or ArenaCo Lender) would have been entitled to receive but for termination of this Agreement. On the New Agreement Delivery Date, the City shall also transfer to New Operator all service contracts, and net income collected by the City in connection with the operation of the Parking Facilities during the period between termination of this Agreement and the New Agreement Delivery Date.

- (4) *Separate Instrument.* The City hereby agrees, at the request of any ArenaCo Lender, to enter into a separate instrument (and memorandum thereof in recordable form) memorializing such ArenaCo Lender's rights under this Section 13.8.

13.9 *Priority of Security Interests.* If there is more than one Security Interest, then whenever this Agreement provides the holder of a Security Interest with the right to consent or approve or exercise any right granted in this Agreement, the exercise or waiver of same by the First ArenaCo Lender shall control and be binding upon the holder(s) of all junior Security Interests.

13.10 *Liability of ArenaCo Lender.* If a New Operator shall acquire ArenaCo's Management Rights through a Foreclosure Event or a New Agreement shall be granted to a New Operator pursuant to Section 13.8, such New Operator shall be liable for the performance of all of ArenaCo's covenants under this Agreement or such New Agreement, as the case may be, from and after the effective date of such Foreclosure Event or New Agreement. If (A) the New Operator is a ArenaCo Lender or its assignee, nominee or designee, (B) such ArenaCo Lender, or its assignee, designee or nominee, as applicable, then assigns this Agreement or the New Agreement to a third party assignee, and (C) such third party assignee delivers to the City an agreement under which such assignee assumes and agrees to perform all the terms, covenants, and conditions of this Agreement or such New Agreement, in form reasonably acceptable to the City, the ArenaCo Lender, or its assignee, designee, or nominee, as applicable, shall be automatically and entirely released and discharged from the performance, covenants, and obligations of the New Operator under this Agreement or the New Agreement, thereafter accruing.

13.11 *Casualty and Condemnation Proceeds.* If a casualty or a Condemnation Action shall occur with respect to all or any portion of the Parking Facilities or Parking Land and restoration is to occur pursuant to the provisions of this Agreement, any insurance proceeds shall be handled in accordance with Section 7. The City understands that ArenaCo may irrevocably appoint ArenaCo Lender as its representative to participate in any settlement regarding, and with regard to, the disposition and application of said insurance proceeds or Condemnation Awards. The City will recognize and deal with ArenaCo Lender for such purposes. The City hereby acknowledges that no election by ArenaCo not to restore in the event of a casualty or Condemnation Action shall be effective unless ArenaCo Lender's consent has been granted to such election.

13.12 *Mezzanine Lenders as ArenaCo Lenders.* The Parties agree that each lender under a Mezzanine Financing (as hereinafter defined) (each such lender, a "**Mezzanine Lender**") is intended to and shall be entitled to substantially the same protections and rights set forth in this Section 13 as provided to an

ArenaCo Lender, modified as appropriate to reflect the nature of the limited liability company or limited partnership interest or stock pledge, as applicable, in favor of each such Mezzanine Lender, mutatis mutandis. If requested by ArenaCo in connection with a Mezzanine Financing, the Parties agree to negotiate, in good faith and with due diligence, an amendment to this Agreement or a separate agreement, containing commercially reasonable terms and conditions in order to specifically reflect such protections and rights set forth in this Section 13 as applicable to a Mezzanine Lender. As used herein, a "**Mezzanine Financing**" means a financing transaction which is secured by, inter alia, a pledge or collateral assignment of any or all of the limited liability company or limited partnership interests or the corporate stock of ArenaCo (or any entity holding a direct or indirect interest in ArenaCo), as applicable, either together with or in lieu of a Security Interest (provided that if the same lender holds both a Security Interest and such a pledge or collateral assignment, such lender shall be an ArenaCo Lender).

14. Parking Facilities Free of Mechanics' and Materialmens' Liens

14.1 Generally. ArenaCo shall pay for all labor and services performed for, and all materials used by or furnished to, ArenaCo or its agents with respect to the Parking Facilities. ArenaCo shall indemnify and hold the City harmless from and keep the Parking Facilities free from any liens, claims, demands, encumbrances or judgments, including all costs, liabilities and attorneys' fees with respect thereto, created or suffered by reason of any labor or services performed for, or materials used by or furnished to, ArenaCo or its agents with respect to the Parking Facilities. The foregoing obligation of ArenaCo shall survive the termination of this Agreement; the City shall have the right, at all times, to post and keep posted on the Parking Facilities any notices permitted or required by law, or which the City may deem proper, for the protection of the City and the Parking Facilities, and any other party having an interest therein, from mechanics' and materialmens' liens including, without limitation, a notice of non-responsibility. In the event ArenaCo is required to post an improvement bond with a public agency in connection with any work performed by ArenaCo on or to the Parking Facilities, ArenaCo shall include the City as an additional obligee.

14.2 Notice of Lien; Bond. Should any liens be filed against, or any action be commenced affecting, the Parking Facilities or ArenaCo's interest in the Parking Facilities as a result of a failure by ArenaCo to satisfy its obligations in Section 14.1, ArenaCo shall give the City notice of such lien or action within five business days after ArenaCo receives notice of the filing of the lien or the commencement of the action. ArenaCo shall have the right, but not the obligation, to contest any such lien or action. In the event that ArenaCo shall not, within 30 days following later of (A) the imposition of such lien or (B) if

ArenaCo contested such lien, a final non-appealable judgment affirming such lien and rejecting ArenaCo's contest, cause such lien to be released of record by payment or posting of a proper bond, the City shall have, in addition to all other rights and remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as the City shall deem proper, including payment of the claim giving rise to such lien or posting of a proper bond. All such sums paid by City and all expenses incurred by the City in connection therewith, including attorneys' fees and costs, shall be payable to the City by ArenaCo on demand by the City.

15. Mediation

15.1 Process. Any dispute between the Parties under this Agreement shall be resolved in accordance with this section.

15.2 Direct Communication. As soon as reasonably possible after a dispute is identified, each Party shall set forth their positions in the dispute in written correspondence delivered to the other Party. Within 15 days after delivery, representatives of each Party shall meet at a mutually agreed time and place to attempt, with diligence and in good faith, to resolve and settle the dispute.

15.3 Non-binding Mediation.

- (A) *Resort to Mediation.* If the dispute is not resolved through direct communication as provided in Section 15.2 by the date that is ten days after the initial meeting, any Party to such dispute may request appointment of a neutral and properly credentialed mediator with expert knowledge and practical experience regarding the subject in dispute.
- (B) *Choice of Mediators.* The requesting Party shall provide a list of three possible mediators to the non-requesting Party. The non-requesting Party shall then select the mediator to be used to mediate the dispute from that list.
- (C) *Length of Mediation.* The Parties shall then participate in good faith in a one-day, non-binding mediation session. Notwithstanding the foregoing, the Parties may agree to extend the mediation proceedings.
- (D) *Location.* Any mediation proceedings shall take place in the City, unless otherwise mutually agreed by the Parties.
- (E) *Cost Sharing.* The cost of the mediation shall be divided equally between the Parties to the dispute.

- 15.4 **Mediation Failure.** If the Parties do not resolve the dispute after engaging in this mediation process, each Party shall be entitled to bring an appropriate action or proceeding in any court of competent jurisdiction to vindicate its rights under this Agreement.
- 15.5 **ArenaCo Lender.** In no event shall a ArenaCo Lender or its designee be subject to or bound by the provisions of this Section 15 unless and until such ArenaCo Lender or such designee has succeeded to the interests of ArenaCo under this Agreement.
16. **Condition of the Existing Parking Facilities.** The Parking Facilities on the Parking Land as of the Effective Date are provided to ArenaCo "AS IS" and "WHERE IS" and with all faults, and ArenaCo has responsibility for the physical condition of the Parking Facilities during the Management Rights Term. Except as otherwise set forth in the Project Agreements, City has not made, does not make, and has not authorized anyone else to make any representation as to the present or future physical condition, value, presence or absence of Hazardous Substances, financing status, leasing, operation, use, tax status, income and expenses, compliance with Environmental Laws or any other matter or thing pertaining to the Parking Facilities being provided. ArenaCo acknowledges that neither City nor any agent of City has made any representation or warranty with respect to the condition of the Parking Facilities or with respect to the suitability of the same for the conduct of ArenaCo's business, nor is City or any agent of City responsible for making any modifications, alterations or improvements or agreed to make any modification, alteration or improvement, to the Parking Facilities. ArenaCo further acknowledges that it has independently investigated the Parking Land and is satisfied that the Parking Facilities are suitable for ArenaCo's intended use. By taking possession of the Parking Facilities, subject to the Pre-Existing Violations, ArenaCo shall be deemed to have accepted the Parking Facilities as being in satisfactory condition and repair and to have accepted the Parking Facilities in their condition existing as of the date of such possession, subject to all Applicable Laws and all covenants, conditions, restrictions, easements and other matters of public record. Similarly, subject to the Work, City acknowledges that it has been operating the Parking Facilities prior to the Effective Date, and therefore, as of the Effective Date, the condition of the Parking Facilities is consistent with the Operating Standard and the Maintenance and Repair Standard, and City shall have no claims against ArenaCo for the condition of the Parking Facilities existing as of the Effective Date.
17. **Hazardous Substances.** ArenaCo shall not use, generate, manufacture, produce, store, release, discharge, or dispose of, on, under or about the Parking Land, or transport to or from the Parking Land, any Hazardous Substances or allow its agents or any other person or entity to do so; provided that standard fuel or other automobile operating fluids (such as antifreeze, motor oil and transmission fluid) within an automotive shell or otherwise typical in the use of automobiles and other transportation vehicles, or

commonly used in the operation of a parking garage shall not constitute a violation of this Section if in compliance with Applicable Law.

18. Miscellaneous

18.1 Notices. Any notice or other communication under this Agreement must be in writing and will be considered properly given and effective only when mailed or delivered in the manner provided by this section to the persons identified below. A notice or other communication that is mailed will be effective or will be considered to have been given on the third day after it is deposited in the U.S. Mail (certified mail and return receipt requested), addressed as set forth below, with postage prepaid. A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered.

<p><i>If to the City:</i> John Dangberg Assistant City Manager City of Sacramento 915 I Street, Fifth Floor Sacramento, CA 95814</p> <p><i>With copies to:</i> Matthew Ruyak Assistant City Attorney City of Sacramento 915 I Street, Fourth Floor Sacramento, CA 95814</p> <p>Jeffrey Massey Senior Deputy City Attorney City of Sacramento 915 I Street, Fourth Floor Sacramento, CA 95814</p> <p>Matt Eierman Parking Manager City of Sacramento Department of Public Works 300 Richards Boulevard, Suite 213 Sacramento, CA 95811</p>	<p><i>If to ArenaCo:</i> John Rinehart, CFO Sacramento Basketball Holdings, LLC One Sports Parkway Sacramento, CA 95834 Facsimile: (916) 928-6983</p> <p><i>With copies to:</i> Mark Friedman, Owner 1530 J Street, Suite 200 Sacramento, CA 95814</p> <p>Jeffrey Dorso, Esq. Pioneer Law Group, LLP 1122 S Street Sacramento, CA 95811 Facsimile: (916) 496-8500</p> <p>Adam R. Klein, Esq. Katten Muchin Rosenman LLP 525 W. Monroe Street Chicago, IL 60661-3693 Facsimile: (312) 902-1061</p>
--	---

Either Party may from time to time designate a different address or facsimile number or persons for notices by giving notice to that effect to the other Party in accordance with

the terms and conditions of this Section.

- 18.2 City's Purpose of Review.** The City's review of any designs, plans, specifications, or other documents or inspection of any property or improvements in connection with this Agreement are performed solely for its own purposes and benefit, and the City is not liable to ArenaCo or any third party for defects in such documents or any other improvements related thereto, or the operations and maintenance standards to be applied thereto.
- 18.3 Force Majeure.** Failure in performance by either Party under this Agreement due to a Force Majeure Event shall not be deemed a breach of this Agreement. In addition, when this Agreement provides a time for the performance of any obligation, the time provided is extended if compliance is not possible due to a Force Majeure Event. The extension time shall be equal to one day for each day the Force Majeure Event prevents compliance. "**Force Majeure Event**" means any act, event, or condition that is beyond the reasonable control of the Party asserting the Force Majeure Event, if it prevents or delays such Party from performing any obligation under this Agreement, including the following: any act of public enemy, terrorism, blockade, war, insurrection, civil disturbance, explosion, or riot; epidemic; landslide, earthquake, fire, storm, flood, or washout, or other catastrophic weather event; any other act of God; and strike, lockout, or other industrial disturbance.
- 18.4 Severability.** If a court with jurisdiction rules that any nonmaterial part of this Agreement is invalid, unenforceable, or contrary to law or public policy, then the rest of this Agreement remains valid and fully enforceable.
- 18.5 Obligations of the City and ArenaCo.** The obligations and undertakings of the City and ArenaCo under or in accordance with this Agreement are obligations solely of the City and ArenaCo. Except as otherwise expressly stated in this Agreement, no recourse shall be had, whether in contract, in tort, or otherwise against any officer, director, employee, agent, member, volunteer, or representative of the City or ArenaCo in his or her individual capacity on account of any obligation or undertaking of or any act or omission by the City or ArenaCo under or pursuant to this Agreement.
- 18.6 Time of the Essence.** Time is of the essence in the performance of this Agreement.
- 18.7 Binding Effect.** This Agreement binds and inures to the benefit of the Parties' successors and assigns.
- 18.8 Waiver.** A Party's failure to insist on strict performance of this Agreement or to exercise any right or remedy upon breach of this Agreement will not constitute a waiver of the performance, right, or remedy. A Party's waiver of another Party's

breach of any provision in this Agreement will not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision. A waiver is binding only if set forth in a writing signed by the waiving Party.

- 18.9 Interpretation.** This Agreement is to be interpreted and applied in accordance with California law, except that the rule of interpretation in California Civil Code section 1654 will not apply. The term "including" shall mean "including, without limitation" and "including, but not limited to" and shall not be interpreted to imply any limitation on the more general preceding provision unless otherwise expressly stated. All references in this Agreement to Sections or Exhibits refer to the Sections and Exhibits of this Agreement unless otherwise expressly stated. Each Exhibit referenced in this Agreement is incorporated into this Agreement by reference and made a part hereof. The headings and captions of the Sections and Exhibits are included for convenience only and shall have no effect upon the construction or interpretation of this Agreement.
- 18.10 Integration and Modification.** This Agreement sets forth the Parties' entire understanding regarding the matters set forth in this Agreement and is intended to be their final, complete, and exclusive expression of those matters. It may be modified only by another written agreement signed by both Parties.
- 18.11 Conflicts among Project Agreements.** To the extent of any conflict or inconsistency between or among any of the Project Agreements, such conflict or inconsistency shall be resolved pursuant to Section 11.12 of the Comprehensive Agreement. In the event of any conflict between this Agreement and the Plaza Operations Agreements, with respect to matters between parties to the Plaza Operations Agreements other than matters solely between the City and ArenaCo, the Plaza Operations Agreements shall control, including but not limited to the provisions of the Plaza Operations Agreements relating to insurance, restoration after casualty, and condemnation.
- 18.12 Relationship of the Parties.** The Parties do not intend to create any agency, partnership, joint venture, trust, or other relationship with duties or incidents different from those of parties to an arm's-length contract.
- 18.13 Attorneys' Fees.** Except as otherwise expressly stated herein, the Parties shall bear their own costs and attorneys' fees incurred in connection with this Agreement.
- 18.14 Alternative Delivery.** When a Party is obligated to deliver a document or similar item to the other Party, the recipient may, in its sole discretion, opt for a review of that item without taking physical or electronic delivery.
- 18.15 Counterparts.** The Parties may sign this Agreement in counterparts, each of which will be considered an original, but all of which will constitute the same

Agreement. Facsimile signatures or signatures transmitted by e-mail or other electronic means shall be effective to bind the Parties.

- 18.16 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event of any proceedings regarding this Agreement, the Parties agree that the venue shall be the state courts of California located in Sacramento County or the U.S. District Court for the Eastern District of California in Sacramento.
- 18.17 Disclosure of Records.** All non-public documents shared by the Parties shall be treated as confidential to the extent permitted by law. All documents submitted to the City may be subject to disclosure pursuant to the California Public Records Act. However, if any documents, in whole or in part, are set apart and clearly marked "trade secret" or "confidential" when provided to the City, the City shall give notice to ArenaCo of any request for the disclosure of those documents. ArenaCo shall then have five days from the date it receives that notice to enter into an agreement with the City, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorneys' fees) incurred by the City in any legal action to compel the disclosure of those documents under the California Public Records Act. ArenaCo shall have sole responsibility for defense of the actual "trade secret" or "confidential" designations.
- 18.18 Payments.** If any payment under this Agreement is required to be made on a day other than a Business Day, the date of payment shall be extended to the next Business Day.
- 18.19 Interest.** Except as otherwise expressly set forth in this Agreement, any payment required under this Agreement that is not timely made shall bear interest at the Interest Rate from the due date until paid in full.
- 18.20 NO WAIVER OF GOVERNMENTAL IMMUNITY.** NO PROVISION FOR INSURANCE, INDEMNIFICATION, CASUALTY, LOSS, OR SHARED EXPENSE SHALL BE CONSTRUED TO BE A WAIVER BY THE CITY OF ANY GOVERNMENTAL IMMUNITY AS TO AMOUNTS OR TYPES OF LIABILITY FOR THE USE, OCCUPANCY, OR OPERATION OF THE PARKING FACILITIES OR THE PARKING LAND OR EXERCISE OF RIGHTS AND OBLIGATIONS UNDER THIS AGREEMENT.
- 18.21 Effectiveness.** Notwithstanding anything in this Agreement to the contrary, the effectiveness of this Agreement is conditioned upon the NBA's approval of the Team Agreement and the Arena Agreement, which approval is required for the effectiveness of both such agreements pursuant to the terms thereof. ArenaCo shall promptly deliver to the City a copy of the letter from the NBA confirming such approval upon ArenaCo's receipt thereof.

19. **Definitions and Terms.** Capitalized terms in this Agreement have the definitions set forth in this section.

"Additions and Capital Repairs" means, collectively, any capital improvements, capital additions, capital repairs, capital replacements, capital restoration, or other capital work with respect to the Parking Facilities, including the furniture, fixtures, machinery, or equipment thereat, the depreciable life of which, according to U.S. generally accepted accounting principles, consistently applied, is in excess of one year. Without limiting the foregoing, Additions and Capital Repairs may include without limitation: (A) redesigning the layout and traffic flow patterns for Parking Facilities; (B) grading and paving or repaving the Parking Facilities; (C) constructing additional drive aisles and furnishing and installing barriers and additional lighting and fixtures, including necessary wiring; and (D) furnishing and installing cashier terminals, booths, signage, and other parking control equipment.

"Affiliate" of a specified Person means a Person who is directly or indirectly controlling, controlled by, or under common control with, the specified Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of the specified Person whether through the ownership of voting securities or by contract.

"Agreement" is defined in the introductory paragraph of this Agreement.

"Annual Fee" is defined in Section 3.1.

"Applicable Law" means any law, statute, ordinance, rule, regulation, order, determination, or requirement of any Governmental Authority, expressly including (A) the City's "Art in Public Places" ordinance, and any related rules or regulations, (B) the Final Environmental Impact Report for the Sacramento Entertainment and Sports Center & Related Development (including the Event Transportation Management Plan and the Mitigation Monitoring Plan), dated as of the Effective Date, as the same may be amended, restated, or otherwise modified from time to time, and (C) all laws, statutes, ordinances, rules, regulations, orders, determinations, or requirements of any Governmental Authority relating to pollution or the protection of the environment, health, safety, or natural resources, including those relating to the use, handling, transportation, treatment, storage, release, or discharge of hazardous materials.

"Arena" is defined in the Background.

"Arena Agreement" is defined in the Background.

"ArenaCo" is defined in the introductory paragraph of this Agreement.

"ArenaCo Default" is defined in Section 9.1.

"**ArenaCo Lender**" means the holder of a Security Interest (including any trustee, servicer or administrative agent acting on behalf of the holder or holders of a Security Interest) other than ArenaCo or any Affiliate of ArenaCo.

"**ArenaCo Lender's Cure**" is defined in Section 13.7(E).

"**ArenaCo Lender's Cure Rights**" is defined in Section 13.7(E).

"**ArenaCo's Cure Period Expiration Notice**" is defined in Section 13.7(C).

"**Arena Land**" is defined in the Background.

"**Assignment**" means any sale, transfer, assignment, pledge, encumbrance, or any other transfer, including transfers as security for obligations, of this Agreement or a Party's rights or obligations under this Agreement.

"**Bankruptcy Proceeding**" means any bankruptcy, insolvency, reorganization, composition, or similar proceeding under the United States Bankruptcy Code or any similar state or federal statute for the relief of debtors.

"**Base Repair Program**" is defined in Section 3.3(G)

"**Business Day**" means any day that the Sacramento City Attorney's Office is open. California Code of Civil Procedure Section 12a applies to this Agreement. The use of the word "day," instead of "Business Day," means a calendar day.

"**City**" is defined in the introductory paragraph of this Agreement.

"**City Civic Event**" is defined in Section 1.2

"**City Event of Default**" is defined in Section 9.3.

"**City Event Expenses**" is defined in Section 1.2

"**City Event Revenues**" is defined in Section 1.2.

"**City Events**" is defined in the Arena Agreement.

"**City Minor Event**" is defined in Section 1.2

"**Claim**" is defined in Section 13.3.

"**Compatible**" means either (A) PARCS Integrated, or (B) PARCS Matching.

"**Comprehensive Agreement**" is defined in the Background.

"Condemnation Action" means a taking by any Governmental Authority (or other Person with power of eminent domain) by exercise of any right of eminent domain.

"Condemnation Award" means all sums, amounts or other compensation for the Parking Facilities payable to the City or ArenaCo, as applicable, as a result of, or in connection with, any Condemnation Action.

"Control of the Parking Facilities" is defined in Section 13.7(l).

"Default Rate" means an annual interest rate equal to the Interest Rate plus five percent (5%).

"Defense Counsel" is defined in Section 11.3.

"Design and Construction Agreement" is defined in the Background.

"Effective Date" is defined in the introductory paragraph of this Agreement.

"Emergency" means any condition or situation that presents an imminent and significant threat (or if not immediately acted upon will present an imminent and significant threat) to the health or safety of users of the Parking Facilities or to the structural integrity of the Parking Facilities or any portion thereof.

"Enforcement Action" means, with respect to any Security Interest and ArenaCo Lender, the occurrence of any of the following events: (A) any judicial or non-judicial foreclosure proceeding, the exercise of any power of sale, the taking of an assignment in lieu of foreclosure, the obtaining of a receiver, or the taking of any other enforcement action against the Management Rights or any portion thereof or ArenaCo, including the taking of possession or control of the Management Rights or any portion thereof, (B) any acceleration of, or demand or action taken in order to collect, all or any indebtedness secured by all or any portion of the Management Rights (other than giving of notices of default and statements of overdue amounts), (C) any exercise of any right or remedy available to ArenaCo Lender under any and all loan documents evidencing the debt secured by the Management Rights (collectively, the **"Management Rights Loan Documents"**), at law, in equity, or otherwise with respect to ArenaCo or any portion of the Management Rights, other than the giving of notices of default and statements of overdue amounts, or (D) any active negotiation (including the exchange of written correspondence regarding the same and the scheduling and subsequent attending of negotiations, whether in person or via telephone) between ArenaCo and ArenaCo Lender with respect to a workout following any default by ArenaCo under the terms and conditions of the Management Rights Loan Documents; provided, however, that any Enforcement Action shall be deemed to continue for a period of 60 days following final non-appealable judgment of a court of competent jurisdiction or cessation of any of the events or activities identified in subclauses (A) through (D) above.

"Environmental Law" means all federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees or requirements of any government authority regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substances, or pertaining to environmental conditions on, under, or about any of the properties described in this Agreement, as now or may at any later time be in effect, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) [42 USCS §§9601 et seq.]; the Resource Conservation and Recovery Act of 1976 (RCRA) [42 USCS §§6901 et seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act (FWPCA) [33 USCS §§1251 et seq.]; the Toxic Substances Control Act (TSCA) [15 USCS §§2601 et seq.]; the Hazardous Materials Transportation Act (HMTA) [49 USCS §§1801 et seq.]; the Insecticide, Fungicide, Rodenticide Act (7 USCS §§136 et seq.); the Superfund Amendments and Reauthorization Act [42 USCS §§6901 et seq.]; the Clean Air Act [42 USCS §§7401 et seq.]; the Safe Drinking Water Act [42 USCS §§300f et seq.]; the Solid Waste Disposal Act [42 USCS §§6901 et seq.]; the Surface Mining Control and Reclamation Act [30 USCS §§1201 et seq.]; the Emergency Planning and Community Right to Know Act [42 USCS §§11001 et seq.]; the Occupational Safety and Health Act [29 USCS §§655 and 657]; the California Underground Storage of Hazardous Substances Act [Health and Safety Code §§25280 et seq.]; the California Hazardous Substances Account Act [Health and Safety Code §§25100 et seq.]; the California Safe Drinking Water and Toxic Enforcement Act [Health and Safety Code §§24249.5 et seq.]; the Porter-Cologne Water Quality Act [Water Code §§13000 et seq.], together with any amendments of or regulations promulgated under the statutes cited above, and any other federal, state or local law, statute, ordinance or regulation now in effect or later enacted that pertains to the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.

"Expiration Date" means the date on which the Team Agreement expires pursuant to Section 2.3.3 of the Team Agreement, which date will be the Initial Expiration Date, the First Renewal Expiration Date, or the Second Renewal Expiration Date (as such terms are defined in the Team Agreement), as applicable.

"Fee Estate" means the City's fee title interest in the Parking Land and the Parking Facilities.

"First ArenaCo Lender" means the holder of the Security Interest constituting a first lien on the Management Rights.

"Force Majeure Event" is defined in Section 18.3.

"Foreclosure Event" means a foreclosure, trustee's sale, deed, transfer, assignment or other conveyance in lieu of foreclosure, or other similar exercise of rights or remedies under any Security Interest, including the occurrence of any transfer of title to the encumbered estate by operation of or pursuant to any Bankruptcy Proceeding, in each

case whether the transferee is a ArenaCo Lender, a party claiming through a ArenaCo Lender, or a third party.

"Governmental Authority" means any federal, state or local entity, political subdivision, agency, department, commission, board, bureau, administrative or regulatory body or other instrumentality having jurisdiction over the Parking Facilities or the Parties.

"Hazardous Substances" means: (A) those substances included within the definitions of hazardous substance, hazardous waste, hazardous material, toxic substance, solid waste, or pollutant or contaminant under any Environmental Law; (B) those substances listed in the United States Department of Transportation Table [49 CFR § 172.101], or by the Environmental Protection Agency, or any successor agency, as hazardous substances [40 CFR Part 302]; (C) other substances, materials, and wastes that are or become regulated or classified as hazardous or toxic under federal, state or local laws or regulations; and (D) any material, waste, or substance that is one of the following; a petroleum or refined petroleum product; asbestos; polychlorinated biphenyl; designated as a hazardous substance pursuant to 33 USCS §1321 or listed pursuant to 33 USCS §1317; a flammable explosive; or a radioactive material.

"Indemnitee" is defined in Section 11.3.

"Indemnifying Party" is defined in Section 11.3.

"Institutional Lender" means: (A) any of the following having a total net worth or shareholders' equity (on the date when its Security Interest is executed and delivered, or on the date of such ArenaCo Lender's acquisition of its Security Interest by assignment from the previous ArenaCo Lender) of at least Three Hundred Million Dollars (\$300,000,000): a bank, trust company, insurance company, credit union, savings bank, pension, welfare or retirement fund or system, real estate investment trust (or an umbrella partnership or other entity of which a real estate investment trust is the majority owner), finance company, public or quasi-public agency, authority, or other entity, federal or state agency regularly making or guaranteeing mortgage loans, investment bank, or a subsidiary of a Fortune 500 company (such as AT&T Capital Corporation or General Electric Capital Corporation); (B) a real estate mortgage investment conduit or securitization trust; (C) a trustee or issuer of collateralized mortgage obligations or similar investment entity (provided that such trustee, issuer, or other entity is publicly traded or is sponsored by an entity that otherwise constitutes an Institutional Lender); (D) any entity of any kind actively engaged in commercial real estate financing having a total net worth or shareholders' equity (on the date when its Security Interest is executed and delivered, or on the date of such ArenaCo Lender's acquisition of its Security Interest by assignment from the previous ArenaCo Lender) of at least Three Hundred Million Dollars (\$300,000,000); (E) the NBA, or any of its Affiliates; or (F) a Person that is a wholly owned subsidiary of or is a combination of any one or more of the Institutional Lenders listed in subparagraphs (A) through (E) hereof,

including any of the foregoing when acting as trustee for other lender(s) or investor(s), whether or not such other lender(s) or investor(s) are themselves Institutional Lenders. An Institutional Lender also includes any financing entity which serves to further the financing structure in connection with a financing transaction that utilizes other Institutional Lenders for the purpose of financing, collateral assignment, guaranty, participation, and other functions which coordinate and cooperate with Institutional Lenders.

"Interest Rate" means the annual "prime" lending rate of interest published from time to time by the Wall Street Journal or its successor plus two percent (2%). If at any time the Wall Street Journal or its successor no longer announces a "prime" lending rate, then the Interest Rate shall be the annual interest rate that is announced by a national bank reasonably selected by the Parties and having an office in Sacramento, California as such national bank's "prime" lending rate, plus two percent (2%). The Interest Rate shall change and be adjusted upon each announcement by the Wall Street Journal or its successor (or any substitute national bank selected by the Parties pursuant to this definition) of each change in the "prime rate" used to determine the Interest Rate in the manner described in this definition. All interest to be paid pursuant to this Agreement shall be computed on the basis of a 360-day year consisting of 12 months of 30 days each.

"Interim Agreement" is defined in Section 3.3(E).

"Lease Impairment" means any (A) cancellation, amendment, modification, rejection surrender (whether voluntary or otherwise), or termination of this Agreement (other than a termination by the City pursuant to the City's rights as expressly provided hereunder), including upon a casualty or condemnation affecting the Parking Facilities or the Parking Land, (B) consent, or affirmative acquiescence, by ArenaCo to a sale of any property, or interest in any property, under 11 U.S.C. § 363 or otherwise in any Bankruptcy Proceeding by the City, (C) exercise of any right of ArenaCo to treat this Agreement as terminated under 11 U.S.C. § 365(h)(1)(A)(i) or any comparable provision of law, or (D) subordination of this Agreement or the Management Rights to any other estate or interest in the Parking Facilities or the Parking Land.

"Losses" is defined in Section 11.1.

"Macy's" is defined in Section 3.3(B).

"Maintenance and Repair Standard" means a level of maintenance and repair that (A) is appropriate for and consistent with the Arena and other retail, office and hotel business in the downtown plaza area being proposed in connection therewith; (B) complies with all Applicable Law; and (C) remains Compatible with PARCS during the Term. Without limiting the foregoing, compliance with the Maintenance and Repair Standard shall include ArenaCo meeting maintenance and repair standards consistent with then-

current City practices for facilities in the downtown area. These City maintenance and repair standards currently include: all ordinary maintenance and repair of the Parking Facilities and replacement of supplies that are normally performed on a day-to-day basis in order to keep the Parking Facilities operating in an efficient, clean, safe, and good condition), which shall include, without limitation: replacing bulbs, fluorescent tubes, metal halide bulbs, or other lamps; replacing tickets in ticket issuing machines; replacing printer ribbons, journal and receipt tape; replacing arms on traffic entry and exit gates; cleaning revenue control equipment; maintaining security and access system; repairing, replacing and cleaning signs; regular cleaning of offices, bathrooms, personnel stations, entry/exit lanes, and general parking areas, stairwells, regular washing of all windows; regular cleaning of office and personnel stations' floors, walls, ceilings, and glass; regular removal of graffiti, and the regular removal of debris and oil; cleaning of the elevators and lobby areas; removal of all trash; cleaning expansion joints, railings, windows and ledges, light fixtures, doors, and frames; replenish soap, paper towels, toilet paper, seat covers; sanitize and clean toilets and sinks; clean floors, light fixtures, walls, partitions, stairs, air louvers, and grilles; inspect stand pipes and damaged wheel stops; periodic shampoo and steam cleaning of rugs and carpets in offices; removal of cobwebs, carbon, and dust; providing monthly safety inspections of life safety systems, call boxes, elevators, fire control, and mechanical ventilation systems; providing monthly safety inspections of the condition of the Parking Facilities; identifying and removing all potential hazards; painting areas needing touch-up; landscaping plant maintenance; and maintain and repair all mechanical, electrical, and utility facilities and systems that are a part of or serve the Parking Facilities (including, without limitation, sprinkler and fire control systems, parking revenue control equipment, mechanical venting systems, lighting and emergency lighting systems, rollup doors, and traffic barriers); and (2) the following long term maintenance standards as needed to maintain the standard described herein: re-apply cove sealant; re-rout/seal floor cracks and joints on the roof level and lower levels; re-coat the urethane traffic topping; re-apply concrete sealer; replace expansion joints; maintain, repair, and replace elevators; repair non-working light fixtures; clean floor drains and lines; replace lighting system; upgrade fire alarm system along with elevator replacement; perform PT tendon repair every year; repaint parking stalls and traffic markings; pressure-wash the façade; paint interiors and façade. If at any time during the Term, the Parties cannot agree on whether a level of maintenance and repair meets the Maintenance and Repair Standard, the Parties shall reasonably agree on an independent third party parking consultant experienced with the operations and maintenance of parking facilities of similar size and operations to assist the Parties in making such determination. If after engaging the third party parking consultant the Parties cannot agree on the standard, the Parties shall follow the provisions set forth in Section 15.

"Management Rights" means ArenaCo's rights, titles, and interests arising under this Agreement.

"Management Rights Commencement Date" means the ESC Land Closing Date (as such term is defined in the Property Conveyance Agreement and Joint Escrow Instructions between the City, SBH Downtown LLC, a Delaware limited liability company, SBH Natomas LLC, a Delaware limited liability company, SBH Real Estate Group LLC, a Delaware limited liability company, and SG Downtown LLC, a Delaware limited liability company, dated as of the Effective Date).

"Management Rights Term" is defined in Section 1.3(b).

"Master Site Lease and Master Project Lease" means (A) that certain Master Site Lease between City and City of Sacramento Financing Authority, dated December 14, 1999 (as amended), and recorded in the Sacramento County Clerk and Recorder's Office at Book 19991214 and Page 1004, and (B) that certain Master Project Lease between City and City of Sacramento Financing Authority, dated December 14, 1999 (as amended), and recorded in the Sacramento Clerk and Recorder's Office at Book 19991214 and Page 1005, respectively.

"Mezzanine Financing" is defined in Section 13.12.

"Mezzanine Lender" is defined in Section 13.12.

"NBA" is defined in the Background.

"New Agreement" is defined in Section 13.8.

"New Agreement Delivery Date" is defined in Section 13.8(A).

"New Operator" means a Person, including, without limitation, ArenaCo Lender or its assignee, nominee or designee, that (A) acquires the Management Rights through a Foreclosure Event, or (B) enters into a New Agreement with the City under Section 13.8.

"Operations Standard" means (subject to changing standards of parking facilities of comparable size and operations) meeting operations standards consistent with then-current City practices for facilities in the downtown area. These operations standards currently are a level of operation that: (A) provides "first-class" parking services of a standard at least consistent with that existing prior to this Agreement (which standard constitutes "first-class" for purposes hereof), and which can efficiently and safely accommodate vehicular and pedestrian traffic entrance and exit volumes during events at the Arena and other high peak times in the City downtown area; (B) includes, at a minimum, industry standard level of cleanliness in all Parking Facilities open to patrons; (C) complies with all Applicable Law; and (D) complies with the POMA. The City represents and warrants that the Parking Facilities comply with the foregoing requirements as of the Effective Date. Without limiting the foregoing (but subject to changing standards of parking facilities of comparable size and operations), compliance with the Operations Standard shall include ArenaCo: (1) managing and supervising the

operation of the Parking Facilities, subject to, and in accordance with all the terms and provisions of this Agreement and the POMA; (2) providing and maintaining standards of public health and cleanliness; (3) keeping all areas of the Parking Facilities in good order and repair and in good and safe condition; (4) regulating and supervising the parking of motor vehicles in the Parking Facilities in a manner that will facilitate the orderly, efficient, fast, and safe parking of the vehicles and prevent obstruction of traffic on adjoining streets; (5) requiring employees to wear name badges and post placards at booths; (6) keeping lights in good working order; (7) treating all members of the public with courtesy; do all other things reasonably necessary for the safe and efficient operation of the Parking Facilities; (8) providing and managing custodial maintenance services; (9) ensuring that parking lot customers receive consistently high levels of service and that customers in the lots experience no undue delays in entering or leaving lots; (10), ensuring all employees maintain professional grooming standards and are in full uniform while on duty; (11) ensuring that all parking equipment is clean and in good working order at all times; (12) ensuring all exit booths are clean and maintained in a professional manner at all times; and (13) providing quality control by use of a third party "mystery shop". If at any time during the Term, the Parties cannot agree on whether a level of operations meets the Operations Standard, the Parties shall reasonably agree on an independent third party parking consultant experienced with the operations and maintenance of parking facilities of similar size and operations to assist the Parties in making such determination. If after engaging the third party parking consultant the Parties cannot agree on the standard, the Parties shall follow the provisions set forth in Section 15.

"PARCS" means the certified Parking Access and Revenue Control Systems, as may be updated and replaced from time to time, used by the City at its other City parking facilities.

"PARCS Integrated" means the various Parking Facilities components (gate arms, ticket dispensers, payment stations, cashier stations, validation systems, etc.) remain connected and functional with PARCS, in which case ArenaCo would enter into a subcontract with the City to run the Parking Facilities. For PARCS Integrated, ArenaCo, through the subcontract with the City, shall have the right to utilize the PARCS hub and the City's fiber optic systems and related conduit and facilities that provide connectivity from the Parking Facilities to the PARCS hub. Upon the expiration of the Term or earlier termination of this Agreement, the City will have the ability to assume control and operation of the Parking Facilities by connecting the Parking Facilities components through the City's network to the City's central control system, without replacement of any Parking Facilities components.

"PARCS Matching" means the various Parking Facilities components (gate arms, ticket dispensers, payment stations, cashier stations, validation systems, etc.) are connected to a standalone hub that will be constructed and installed by ArenaCo, at its sole cost and expense, on or about the Parking Land. For PARCS Matching, although the system

would not be connected to or able to communicate with PARCS, the system would be required to be maintained at a similar level to PARCS. If ArenaCo elects PARCS Matching, given that both City and ArenaCo desire an efficient handover of the Parking Facilities at the expiration or termination of this Agreement, ArenaCo shall at all times consider in good faith continuing to ensure that any upgrades, replacements or modifications thereafter are compatible with PARCS to the extent possible under the circumstances; provided however, that: (i) nothing herein shall require ArenaCo to expend additional funds to maintain such compatibility for PARCS Matching and (ii) ArenaCo shall retain sole discretion to determine whether to maintain such compatibility.

"Parking Facilities" means the Parking Land and the parking facilities and related infrastructure and equipment commonly known as Downtown Plaza West (Facility G), Downtown Plaza East (Facility K), and Downtown Plaza Central (Facility U), as may be reconfigured or replaced from time to time during the development and construction of the Arena and surrounding areas, which provide parking for the Arena and provide various other businesses in the adjacent development located in the City of Sacramento downtown area. Notwithstanding anything to the contrary contained herein, the City owns the Parking Facilities.

"Parking Land" means the land depicted in Exhibit A (as may be adjusted in the event that any Parking Facilities are demolished or reconstructed in connection with the Work).

"Party" or **"Parties"** is defined in the introductory paragraph of this Agreement.

"Person" means any individual, trust, estate, partnership, joint venture, company, corporation, association, limited liability company, or other legal entity, business organization, or enterprise.

"Personal Default" means any nonmonetary default under this Agreement that is not susceptible to cure by a ArenaCo Lender.

"Plaza Operations Agreements" means the (i) the Construction, Operation And Maintenance Agreement, dated as of November 30, 1992 and recorded on October 15, 1993 in Book 93 1015, Page 2019 of the Official Records of Sacramento County, California, (ii) Cross-Easement Agreement, dated as of November 30, 1992, and recorded on October 15, 1993, in Book 93 1015, Page 2018 of the Official Records of Sacramento County, California, and (iii) the Parking Operation and Maintenance Agreement (as same may be amended and restated, the "POMA"), dated as of November 30, 1992, and recorded on October 15, 1993, in Book October 15, 1993 in Book 93 1015, Page 2020 of the Official Records of Sacramento County, California, all as the same may be amended, restated, modified, or supplemented from time to time in accordance with the terms thereof, including, without limitation the amended and

restated agreements that the parties intend to enter into following the date of this Agreement.

"**Pre-Existing Violations**" is defined in Section 3.3(A).

"**Project Agreements**" is defined in the Background.

"**Required Restoration Condition**" means, with respect to any damage or destruction of the Parking Facilities or the Parking Land (including due to a partial Condemnation Action), the condition of the Parking Facilities and the Parking Land, after repair and restoration that (A) is equal to or better than the condition immediately preceding such damage or destruction, and (B) complies with the terms and conditions of this Agreement (including the Maintenance and Repair Standard and the Operations Standard).

"**Security Interest**" means a security interest, or any similar other instrument or agreement constituting a lien upon, or similarly encumbering, the Management Rights held by a lender other than ArenaCo or an Affiliate of ArenaCo as renewed, restated, modified, consolidated, amended, extended, or assigned (absolutely or collaterally) from time to time.

"**Tax**" means any general or special, ordinary or extraordinary, tax, imposition, assessment, levy, usage fee, excise, or similar charge (including any ad valorem or other property taxes), however measured, regardless of the manner of imposition or beneficiary, that is imposed by any Governmental Authority. Without limiting the generality of the foregoing, "Tax" expressly includes any and all assessments or similar charges imposed by the Downtown Sacramento Partnership, Property Based Improvement District.

"**Team**" is defined in the Background.

"**Team Agreement**" is defined in the Background.

"**TeamCo**" is defined in the Background.

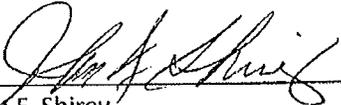
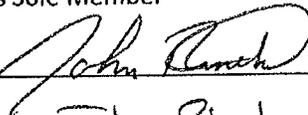
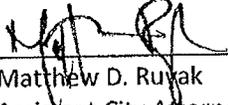
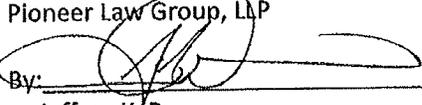
"**Term**" is defined in Section 1.3.

"**Walker Report**" is defined in Section 3.3(G)

"**Work**" is defined in the Design and Construction Agreement.

* * *

IN WITNESS WHEREOF, the Parties have entered in this Agreement as of the day and year first above written.

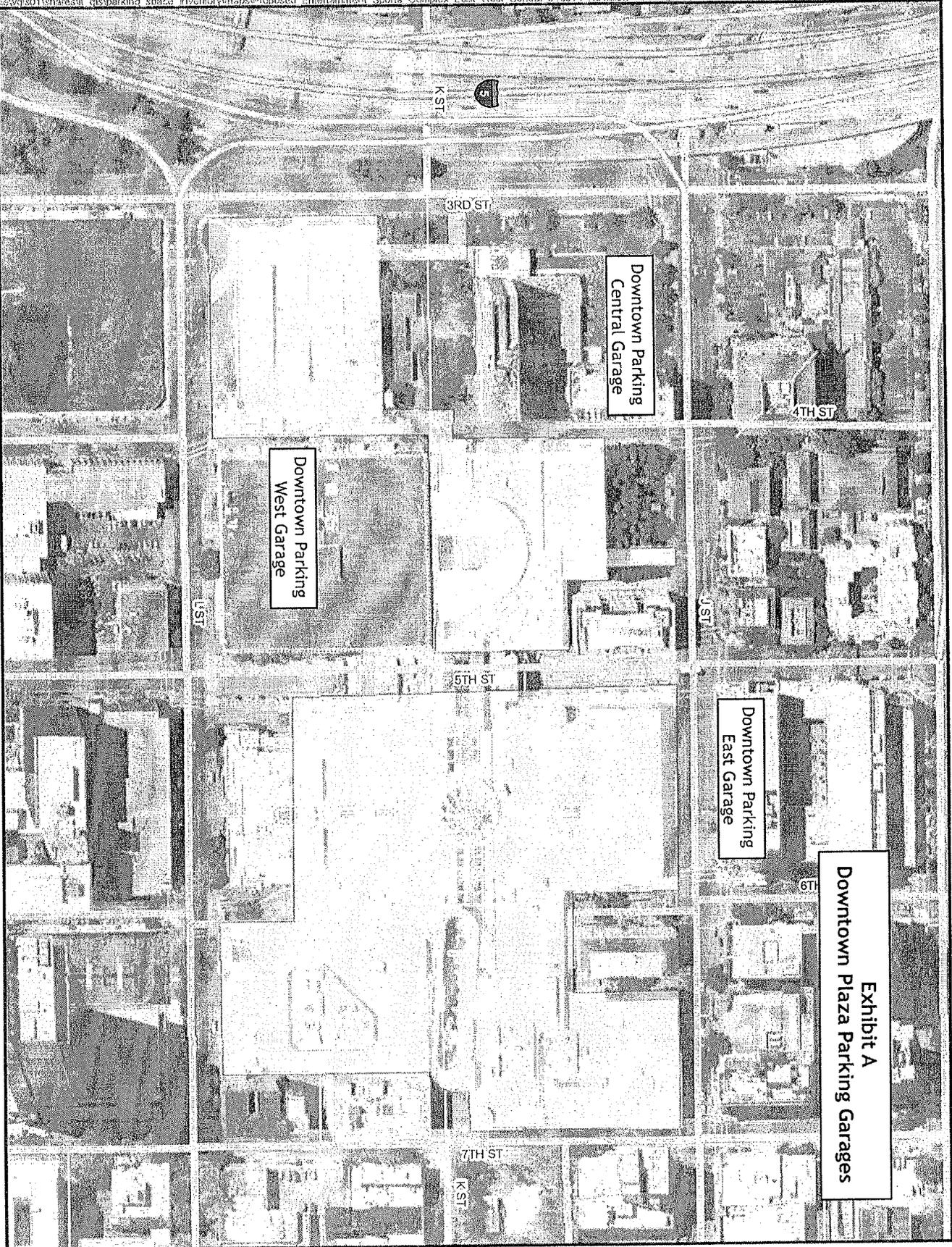
<p>City of Sacramento</p> <p>By: <u></u> John F. Shirey City Manager</p> <p>Date: <u>May 21</u>, 2014</p>	<p>SACRAMENTO DOWNTOWN ARENA LLC, a Delaware limited liability company</p> <p>By: Sacramento Basketball Holdings LLC, a Delaware limited liability company, its Sole Member</p> <p>By: <u></u></p> <p>Name: <u>John Rinehart</u></p> <p>Its: <u>CFO</u></p> <p>Date: <u>May 20</u>, 2014</p>
<p>Approved as to Form Sacramento City Attorney</p> <p>By: <u></u> Matthew D. Ruyak Assistant City Attorney</p>	<p>Approved as to Legal Form Pioneer Law Group, LLP</p> <p>By: <u></u> Jeffrey K. Dorso Attorneys for ArenaCo</p>

**Exhibit A
to
Arena Parking Management Agreement**

Parking Land

(see attached)

ARENA PARKING MANAGEMENT AGREEMENT



Downtown Parking
Central Garage

Downtown Parking
West Garage

Downtown Parking
East Garage

Exhibit A
Downtown Plaza Parking Garages

Exhibit B
to
Arena Parking Management Agreement

Insurance

1. Insurance

1.1 Required Insurance. ArenaCo shall, at its sole expense, unless otherwise expressly agreed by the City in writing, procure and maintain in full force and effect at all times during the Management Rights Term, the following:

- (A) Property insurance for the Parking Facilities covering real property, personal property, business income, and extra expense for all risks of physical loss or damage written on the broadest available Cause of Loss Form acceptable to the City in an amount not less than the Minimum Property Insurance Coverage with no coinsurance penalty provisions. "**Minimum Property Insurance Coverage**" means, at any given time, 100% of the full replacement cost (new without deduction for depreciation) of the Parking Facilities. Property coverage shall include earthquake, earthquake sprinkler leakage, and flood, and (i) such earthquake coverage have a limit equal to (or greater than) the Minimum Property Insurance Coverage if such a limit is available at commercially reasonable rates (failing which such earthquake coverage shall have reasonable limits or sub-limits that are determined by "Probable Maximum Loss" calculations which are acceptable to the City) and (ii) such earthquake sprinkler leakage and flood coverage shall have reasonable limits or sub-limits that are determined by "Probable Maximum Loss" calculations which are acceptable to the City. Property coverage shall also include boiler and machinery coverage. Business income and extra expense coverage shall contain limits sufficient to cover all direct and indirect loss of income and additional expenses for the business operations of the Parking Facilities for the appropriate period of time necessary to complete repairs of all real and personal property. Business income coverage shall include an extended period of indemnity of at least 12 months. Any deductibles or self-insured retentions must be declared and approved by the City (such approval not to be unreasonably withheld, conditioned, or delayed), provided that in no event will the amount of coverage, after taking into account any such deductibles or self-insured retentions, be less than the Minimum Property Insurance Coverage.
- (B) Commercial general liability insurance (CGL) written on an "occurrence" policy form and covering liability for death, bodily injury, personal injury, and property damage with limits of \$10,000,000 per occurrence relating, directly or indirectly, to ArenaCo's business operations, conduct, or use or occupancy of the Parking Facilities. Such coverage shall include all activities and operations conducted by

any Person on or about the Parking Facilities, and any work performed by or on behalf of ArenaCo at the Parking Facilities. Coverage should be as broad as ISO policy form CG 0001, or any replacement thereof that becomes standard in the insurance industry, or an equivalent form acceptable to the City. If a general aggregate limit applies, either the general aggregate limit shall apply separately to the Parking Facilities project/location or the general aggregate limit shall be twice the required occurrence limit. If a Products/Completed Operations aggregate limit applies, either the Products/Completed Operations aggregate limit shall apply separately to the Parking Facilities project/location or the Products/Completed Operations aggregate limit shall be twice the required occurrence limit. ArenaCo shall require all of ArenaCo's contractors, subcontractors, vendors, agents, and representatives involved in work or operations at the Parking Facilities to meet the CGL requirements of this section with limits of at least \$2,000,000 per occurrence and \$4,000,000 aggregate. Any deductibles or self-insured retentions must be declared and approved by the City (such approval not to be unreasonably withheld, conditioned, or delayed).

- (C) Automobile Liability covering death, bodily injury, and property damage for the operation of all owned, non-owned, leased, and hired vehicles with limits of \$5,000,000 per accident. ArenaCo shall require all of ArenaCo's contractors, subcontractors, vendors, agents, and representatives involved in work or operations at the Parking Facilities to meet the Automobile Liability requirements of this section with limits of \$2,000,000 per accident. Any deductibles or self-insured retentions must be declared and approved by the City (such approval not to be unreasonably withheld, conditioned, or delayed).
- (D) Workers' Compensation insurance as required by the State of California with statutory limits and Employers' Liability insurance with a limit of no less than \$3,000,000 per accident for bodily injury or disease. ArenaCo shall require all of ArenaCo's contractors, subcontractors, vendors, agents, and representatives involved in work or operations at the Parking Facilities to meet the Workers' Compensation requirements of this section. Any deductibles or self-insured retentions must be declared and approved by the City (such approval not to be unreasonably withheld, conditioned, or delayed).
- (E) Pollution insurance for the benefit of ArenaCo and the City covering first and third party claims with limits of \$5,000,000 each occurrence or claim and \$10,000,000 Policy Annual Aggregate. Any deductibles or self-insured retentions must be declared and approved by the City (such approval not to be unreasonably withheld, conditioned, or delayed).
- (F) Builder's Risk insurance covering real property, personal property, consequential loss of revenue (rents and earnings) and customary "soft costs" for up to 24 months, including interest costs or expenses because of delay of start-up due to an insured loss. Coverage shall be for all risks of physical loss or damage written

ARENA PARKING MANAGEMENT AGREEMENT

on the broadest available Cause of Loss Form acceptable to the City for the Minimum Property Insurance Coverage with no coinsurance penalty provisions. Coverage shall include earthquake, earthquake sprinkler leakage, and flood with reasonable limits or sub-limits that are determined by "Probable Maximum Loss" calculations which are acceptable to the City. ArenaCo shall require all of ArenaCo's contractors, subcontractors, vendors, agents, and representatives involved in work or operations on site at the Parking Facilities to provide a "Property Installation Floater" covering damage to real property, personal property, machinery, or equipment impaired, broken, or destroyed, including transit to the construction site or while awaiting installation or testing at the construction site. Any deductibles or self-insured retentions must be declared and approved by the City (such approval not to be unreasonably withheld, conditioned, or delayed).

- (G) Professional Liability insurance covering design errors and omissions with limits no less than \$5,000,000 each occurrence or claim and \$10,000,000 Policy Annual Aggregate. Any deductibles or self-insured retentions must be declared and approved by the City (such approval not to be unreasonably withheld, conditioned, or delayed).
- (H) Garagekeepers' liability policy with minimum limit of not less than \$50,000 per vehicle and \$1,000,000 per occurrence. Any deductibles or self-insured retentions must be declared and approved by the City (such approval not to be unreasonably withheld, conditioned, or delayed).

1.2 General Provisions for ArenaCo's Insurance.

- (A) The obligations of ArenaCo set forth in this Exhibit B are independent of ArenaCo's waiver, indemnification, or other obligations under this Agreement and shall not be construed or interpreted in any way to restrict, limit, or modify ArenaCo's waiver, indemnification, or other obligations or to in any way limit ArenaCo's liability under this Agreement.
- (B) All insurance policies required under this Exhibit B (including endorsements thereto) shall, unless otherwise expressly agreed by the City in writing, be issued by insurance companies authorized to do business in the State of California and rated "A-VIII" or better by A.M. Best Company (or equivalent).
- (C) All CGL policies required under Section 1.1(B) shall be endorsed to name the City, the holders of Security Interests, and their respective officers, officials, employees, agents, and volunteers as additional insureds with respect to liability arising out of work or operations performed by or on behalf of ArenaCo and its contractors, subcontractors, agents, representatives, and employees. Such additional insured coverage should include completed operations and be provided by an endorsement (at least as broad as ISO Form CG 20 10 11 85 or

through the combination of GC2038 04/13 and CG2037 04/13). For any claims related to the Parking Facilities, all CGL policies shall be primary insurance as respects the City, the holders of Security Interests, and their respective officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, the holders of Security Interests, and their respective officers, officials, employees, agents, or volunteers shall be excess of the required CGL policies and shall not contribute with them. ArenaCo shall maintain the above additional insured coverage (including Products/Completed Operations) for an additional ten years beyond the expiration or earlier termination of this Agreement. ArenaCo shall require all contractors, subcontractors, vendors, agents, and representatives involved in work or operations at the Parking Facilities to meet the requirements of this section.

- (D) ArenaCo's automobile liability policy shall contain or be endorsed to contain the City, the holders of Security Interests, and their respective officers, officials, employees, agents, and volunteers as additional insureds with respect to liability arising out of the operation of all owned, non-owned, leased, and hired vehicles. Additional insured coverage can be provided in the form of an endorsement to ArenaCo's insurance (at least as broad as ISO Form CA2048 Designated Insured Endorsement). For any claims related to automobile liability, the automobile liability policy shall be primary insurance as respects the City, the holders of Security Interests, and their respective officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, and the holders of Security Interests, and their respective officers, officials, employees, agents, and volunteers, shall be excess of the required automobile liability insurance and shall not contribute with it. ArenaCo shall require all contractors, subcontractors, vendors, agents, and representatives involved in work or operations at the Parking Facilities to meet the requirements of this section.
- (E) All policies for property insurance, pollution insurance, and builder's risk insurance required under this Agreement shall name ArenaCo, the City, any holders of Security Interests, and such other Persons who have an insurable interest in the Parking Facilities as "loss payees" to the extent of their insurable interest in the Parking Facilities.
- (F) ArenaCo shall require its insurers to waive rights of subrogation against the City and the holders of Security Interests, and their respective officers, officials, employees, agents, or volunteers, which any insurer of ArenaCo may acquire by virtue of the payment of any loss. ArenaCo shall obtain any endorsements that may be necessary to effect this waiver of subrogation. Workers' Compensation policies required under this Exhibit B shall be endorsed with a waiver of subrogation in favor of the City and the holders of Security Interests, and their respective officers, officials, employees, agents, and volunteers, for all work performed. ArenaCo waives any claims against the City and the holders of

Security Interests, and their respective officers, officials, employees, agents, and volunteers, to the extent such claims are covered by the insurance required by this Exhibit B (or would have been so covered if such insurance was procured and maintained as required in this Exhibit B), and such insurance shall not prohibit the foregoing waiver. ArenaCo shall require all contractors, subcontractors, vendors, agents, and representatives involved in work or operations at the Parking Facilities to (i) to obtain such a waiver of subrogation in favor of ArenaCo, the City, and the holders of Security Interests, and their respective officers, officials, employees, agents, and volunteers, from their respective insurers, and (ii) to waive any claims against ArenaCo, the City, and the holders of Security Interests, and their respective officers, officials, employees, agents, and volunteers, to the extent such claims are covered by the insurance required by this Exhibit B (or would have been so covered if such insurance was procured and maintained as required in this Exhibit B), and such insurance shall not prohibit the foregoing waiver.

- (G) If any coverage required is written on a claims-made coverage form:
- (1) The retroactive date must be shown, and this date must be before the execution date of the contract or the beginning of contract work.
 - (2) Insurance must be maintained and evidence of insurance must be provided for at least ten years after completion of contract work.
 - (3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work, date, ArenaCo must purchase extended reporting period coverage for a minimum of ten years after completion of contract work and require all contractors, subcontractors, vendors, agents, and representatives involved in the applicable work or operations at the Parking Facilities to do the same.
- (H) If ArenaCo or any of its contractors, subcontractors, vendors, agents, representatives, or employees involved in work or operations of the Parking Facilities maintain higher limits than the minimums shown in this Exhibit B, the City and the holders of Security Interests require and shall be entitled to coverage for the higher limits maintained by such Person(s). Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City and the holders of Security Interests. ArenaCo shall require all contractors, subcontractors, vendors, agents, and representatives involved in work or operations at the Parking Facilities to comply with this section.
- (I) ArenaCo shall ensure that the Products/Completed Operations coverage in the CGL policy (Section 1.1(B)), the Pollution insurance (Section 1.1(E)), and the

Professional Liability insurance (Section 1.1(G)) remain in effect for a period of ten years after the expiration or earlier termination of this Agreement.

1.3 Adjustment. The foregoing coverages, policy limits, and deductibles shall be reviewed every five years and may be adjusted if prudent, considering levels of inflation, risk of loss, premium expenses, and other relevant factors, including the then practice of other prudent property owners in the vicinity of the Parking Facilities and other prudent owners of parking facilities of comparable size and operations to the Parking Facilities; provided, however, that the amount of property damage insurance shall never be less than the Minimum Property Insurance Coverage.

1.4 Required Insurance Policy Clauses. Each policy of insurance required to be carried pursuant to the provisions of this Exhibit B shall contain (A) a provision that no act or omission of any of the insureds shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained, (B) an agreement by the insurer that such policy shall not be canceled, modified, or denied renewal without at least 30 days' prior written notice to each Party and all other named or additional insureds, and (C) with respect to property insurance, a waiver of subrogation by the insurer to any right to recover the amount of any loss resulting from the negligence of the City, ArenaCo, the holders of Security Interests, or any of their contractors, subcontractors, vendors, agents, representatives, or employees.

1.5 Blanket or Umbrella Policies. The insurance required to be carried by ArenaCo pursuant to the provisions of this Exhibit B may, at ArenaCo's option, be effected by blanket or umbrella policies issued to ArenaCo covering the Parking Facilities and other properties owned or leased by ArenaCo or Affiliates thereof, provided such policies otherwise comply with the provisions of this Agreement and provide to the Parking Facilities not less than the specified coverage, including, the specified coverage for all insureds required to be named as insureds under this Agreement.

1.6 Delivery of Evidence of Insurance. With respect to each and every one of the insurance policies required to be procured or maintained under the terms of this Agreement, (A) on or before the date that each such policy is required to be first procured, (B) at least 30 days before the expiration of any such policy, and (C) otherwise from time to time upon the City's reasonable request therefor, ArenaCo shall deliver to the City and to the holders of Security Interests evidence showing that such insurance (including any endorsements required by this Agreement) is in full force and effect. Such evidence shall include certificates of insurance issued by a responsible officer of the issuer of such policies, or in the alternative, a responsible officer of an agent authorized to bind the named issuer, setting forth the name of the issuing company, the coverage, limits, deductibles, and the term thereon. By no later than (i) 30 days after the effective date of any insurance policy required under this Agreement, ArenaCo shall provide the City and the holders of Security Interests with reasonable evidence that premiums have either been paid in full or, if the premiums are payable in installments, the installments have been paid to date and (ii) 120 days after the effective date of any issuance policy required under this Agreement, ArenaCo shall provide the City and the holders of Security Interests with a complete copy of such insurance policy and all endorsements thereto.

1.7 No Insurable Interest in the City's Insurance. Notwithstanding any Applicable Law or custom to the contrary, no insurable interest is conferred upon ArenaCo under policies of insurance carried by the City and the City is in no way accountable to ArenaCo regarding the use of any insurance proceeds arising from any claim.

Exhibit C
to
Arena Parking Management Agreement

Interim Agreement

(see attached)

Schedule 8.2(D)
to
Arena Parking Management Agreement

Litigation

1. CASE NO.: 34-2014-00156358
CASE TITLE: CITY OF SACRAMENTO
vs.
STATE OF CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM, US
BANK A NATIONAL ASSOCIATION, C-III ASSET MANAGEMENT LLC, and
DOES 1 through 50, inclusive.

2. CASE NO.: 34-2013-80001489
CASE TITLE: ISAAC GONZALEZ, JAMES CATHCART, and JULIAN CAMACHO,
vs.
KEVIN JOHNSON, JOHN SHIREY, JOHN DANGBERG,
CITY OF SACRAMENTO, and DOES 1 through 40, inclusive.

EXHIBIT D

[see attached]

PARKING EXHIBIT D
PARKING OPERATION DESCRIPTION

SUMMARY:

This Parking Exhibit D includes this Parking Operation Description (pages 1 thru 8), the Parking Plan dated 7/2/14 (3 sheets), and the Parking Demand Study dated 5/23/14 (1 page)

Garages G, U and K will be open 7 days per week, 365 days per year for all entering vehicles from early morning to late evening in accordance with the terms and agreements identified in the attached Parking Operation and Maintenance Agreement (POMA), and these Rules and Regulations.

All entries will be available for use by both transient and monthly permit holders. From 6:00 AM to 9:30 AM on weekdays and Saturdays all monthly permit holders shall be restricted from parking in the designated areas depicted on Exhibit D Parking Plan.

Plan. Such monthly permit restricted areas include the P1 Level of Garage K / Under 660J, level P1 of Garage K / Under Hotel, levels P1 and P2 of Garage U, and levels G1 and G4 of Garage G.

The Operator will encourage parkers to use appropriate parking fields near the garage elevator core for each component through the use of measures consistent with applicable code provisions and regulatory approvals, such as signage (both exterior directional signs at all garage entries and interior directional signs at appropriate locations to direct all users to appropriate parking fields), cordoning off certain areas at certain times of the day as necessary to permit short term use of spaces in that area throughout the day, violation notices placed on cars parking in inappropriate areas and garage attendants directing parkers to certain areas.

Payment for parking may be made at pay-on-foot stations located at various points in the garage areas or at staffed cashier booths (with backup ability to pay by credit card at the ticket acceptors for anyone who forgets to use the pay-on-foot machines). After payment at the pay-on-foot station, patrons must insert their paid ticket at the ticket acceptors located on the vehicle exit lanes. Specified express ramps will be provided with card readers or remote transponder readers for monthly parkers.

PARKING FEES AND VALIDATION SYSTEM:

Parking fees are established by the Operator and are detailed on attached Exhibit 1 hereto. The fee schedule may only be modified in accordance with section 3.1 of the POMA.

All rates and validation procedures will be clearly posted at appropriate locations in the parking facilities and within, as applicable, the shopping center common areas and Macy's store.

Validations will be available from participating retail stores with a minimum \$5 purchase providing for 2HR free parking in the project. Validations shall be limited to one per customer per visit. Validation machines inside the Cinema shall be located beyond the ticket gate and shall provide for 4HR free parking

Macy's customers shall receive a Macy's Validation to provide for three (3) hours of 3HR free parking with a minimum purchase of five (5) dollars by the customer presenting their parking ticket to a sales associate at the time of purchase, in the Macy's store during normal business hours. The Macy's associate will provide the Macy's customer with the appropriate Macy's Validation.

So as to provide a Macy's customer with a Macy's Validation with sufficient time to return to his or her vehicle without losing the benefit of the discount provided, the calculation of the amount due from such customer upon exiting the parking facilities shall be computed as if the customer was exiting fifteen (15) minutes prior to the actual time of exit.

Changes to the validation program require approval of Operator and Developer and, as to its own validations, Macy's. It is expressly understood that a change to the validation program which would reduce the amount of free parking with validation to a period less than 2HR shall be subject to Macy's approval.

The validated ticket shall be presented and surrendered to the parking attendant upon exiting the parking facility. Patrons shall be charged fees as set forth in Schedule 1 for all non-validated hours. Hours of parking before and after the minimum hours of Garage operation pursuant to POMA Section 2.4 are not eligible for free validated parking. Short-term customers will have access only during hours of operation as set forth in POMA Section 2.4.

Validations are for the express use of customers of Project. Personal use of validations by employees and merchants of Project or other noncustomer personnel is strictly prohibited. Regulations associated with failure to pay fee, surrender ticket or fraudulent use of validation will be enforced with all parkers, including penalties, late charges and collection costs as established by resolution and State law. Monitoring abuse and fraudulent use of the validation system and parking program is a shared responsibility of the Developer and Operator and shall be remedied upon notice or observation of any such activity; provided, however, Developer's responsibilities shall be limited to Developer's tenants.

So long as Macy is participating in the validation program, Macy shall use its diligent, reasonable efforts to (i) Macy's agrees to make its Sales Associates available for training by Operator and Developer regarding the validation procedures and proper use of the validation equipment (at Operator's and/or Developer's cost) at such times as are approved by Macy's in its reasonable discretion; (ii) require employees to issue validations only to customers making a minimum five (5) dollar purchase; (iii) prohibit the use of Macy's issued validations by its employees, except those employees that have made a purchase on the date in question; and (iv) enforce any rules and regulations regarding the validation program as may be adopted by the Operator. So long as Macy is participating in the validation program and is using its diligent, reasonable efforts to comply with clauses (i) through (iv) in the immediately preceding sentence, Operator shall make available to Macy an unlimited number of validations for use in accordance with the foregoing and a sufficient number of validation meters or other validation equipment as shall be reasonably necessary for Macy's sales personnel to issue validations at points of sale to customers making a minimum five (5) dollar purchase in a practical and reasonably convenient manner. Such validation equipment shall be provided at Operator's sole cost and expense and Operator shall retain sole ownership of such equipment. At Operator's sole cost and expense, Operator may replace validation equipment with new validation equipment equal or better in quality than the replaced equipment as and when Operator deems necessary. Furthermore, so long as the validation equipment is reasonably used by Macy's for its intended purpose and is not abused or intentionally damaged by Macy's, Operator, at its sole cost and expense, shall repair and maintain

such equipment and keep the same in good functioning order. Operator shall be permitted access to the Macy's Store for the purpose of such repair, maintenance or replacement upon reasonable prior notice to Macy's and subject to reasonable restrictions on the hours of access as may be required by Macy's.

The validation program shall be administered by Operator in all respects and in connection with such administration, Operator shall have the right to (i) monitor the use of validations and the validation equipment; (ii) cause such equipment to issue validations in an ascending or descending order; (iii) service the validation equipment; (iv) supply additional validations as needed; and (v) extend certain parking privileges, such as a monthly parking pass, to those Macy's employees charged with the responsibility for assuring Macy's compliance with the validation program including such rules and regulations governing the same which may be adopted by Macy's and Operator.

By written notice to Operator received at least thirty (30) days prior to each anniversary of the first day of the first full calendar month after the Scheduled Grand Re-Opening Date, Macy's may elect to withdraw from participation in the validation program on a permanent basis or for the 12-month period following such anniversary date or for multiple 12-month periods. Validation fees attributable to any period of time prior to the effective anniversary date of such election shall continue to be paid by Macy to Operator. As of such effective date, (i) Macy's obligation to pay a Validation Fees attributable to the period of time during which Macy does not participate in the validation program shall cease, (ii) Macy's participation in the validation program shall cease (along with its right to receive customer validations through the validation system administered by Operator), and (iii) Macy's shall return to Operator all validation equipment supplied to it by Operator; provided, however, in all other respects, Macy's rights and obligations under the POMA shall continue in full force and effect. Similarly, if Macy has withdrawn from participation in the validation program, it may elect to resume its participation on any anniversary date of the first day of the first full calendar month following the scheduled Grand Re-Opening Date by providing Operator with at least thirty (30) days' prior written notice of such election. As of such effective anniversary date, Macy's obligation to pay the calculated Validation Fee to Operator shall resume.

MONTHLY PERMITS:

Monthly permit parker access shall be via assigned computer-access card or technical equivalent. Entering and exiting parking facility shall be unrestricted when card is used in accordance with the terms of user's parking agreement as set forth by Operator.

Failure to pay associated fees by renewal date constitutes a breach of the parking agreement and terminates individual cardholder access. Provided Operator and Developer agree upon time restrictions on permit parking or access, use of monthly permits prior or after the permitted hours shall subject the user to the daily fee for the time parked beyond the permitted time frame.

Separate Parking Agreements currently require that a maximum of 178 monthly passes be provided on the following properties: Ramona Building (33 spaces), the 312 K Street Building (3 spaces), Travelers Building (102 spaces) and the Fruit Building (40 spaces). Additional monthly permit parking stalls may, at Operator's option, be leased to 660J office tenants and, to a lesser extent, project employees.

All entries will be available for use by both transient and monthly permit holders, and from 6:00 AM to 9:30 AM on weekdays and Saturdays all monthly permit holders shall be restricted from parking within the designated areas depicted on Exhibit D Parking Plan. Such monthly permit restricted areas include the P1 Level of Garage K / Under 660J, level P1 of Garage K / Under Hotel, levels P1 and P2 of Garage U, and levels G2 and G4 of Garage G.

Changes to the above terms relating to the existing Separate Parking Agreements or the entering into of new Separate Parking Agreements must be approved by Operator, Developer and the applicable contracting party.

OFFSITE CONTRACTS:

In addition to the Separate Parking Agreements detailed in the Monthly Permit section above, a total of 350 parking stalls must be currently be made available to the Holiday Inn located at 4th and J streets. At least initially, Garage G floor 6 and a portion of Garage G floor 5 will be signed “for Hotel Guests after 4PM”. These stalls will be available for transient short term use before 4PM each day. Any change to this program must be approved by Operator, Developer, Holiday Inn (to the extent required by any agreement with Holiday Inn that is binding on a Party) and, to the extent lower floors of Garage G are utilized, Macy’s.

The Separate Parking Agreement Monthly Permit parkers shall be restricted from parking within the designated area depicted on Exhibit D Parking Plan. Such monthly permit restricted areas include the P1 level of Garage K / Under 660J, level P1 of Garage K / Under Hotel, levels P1 and P2 of Garage U, and levels G1 and G4 of Garage G.

RESIDENTIAL PARKING:

Assigned (dedicated) parking stalls for the Project’s 59 new residences above the hotel shall be located on level P2 of the Garage K / Under Hotel as shown on the attached Exhibit D Parking Plan.

Any changes to the aforesaid program for residential parking must be approved by Operator, Developer, any new Party as to any separate residential tract and, if and to the extent any assigned parking stalls for residences are located in Garage G or Garage U, Macy’s.

HOTEL PARKING:

Parking for the project’s new hotel building shall be located on level P2 of Garage K / Under Hotel, labeled Hotel Residential Stalls on the attached Exhibit D Parking Plan.

Any changes to the aforesaid program must be approved by Operator, Developer, any new Party as to any separate hotel tract, and if and to the extent any assigned parking stalls for hotel valet or hotel guests are located in Garage G or Garage U, Macy.

SACRAMENTO BASKETBALL HOLDINGS (“SBH”) PARKING:

The parking located on the Arena Co. Tract (“Parking Area A”) contains 140 stalls and such Parking Area A is managed and controlled solely by Arena Co. at its discretion. The stalls within

Parking Area A, at Arena Co.'s discretion, may be dedicated to serve the SBH and team office personnel, NBA professionals, any other use on the Arena Co. tract, and, during events, a portion of the VIP stall needs 1.

Any changes to the foregoing program are subject to the sole discretion of Arena Co.

RETAIL PARKING:

Of the approximately 2,936 stalls in the Project, at least 2,532 (exclusive of Parking Area A and the Hotel/Residential parking in Garage K level P2) will remain available for transient use and Monthly Permit parkers with the Holiday Inn encumbering no more than 350 of those stalls in Garage K after 4 PM daily. Of the approximately 2,532 stalls available for transient use, 1,942 are located in Garages G, U and the Macy's Parking Area. Any changes to the foregoing program must be approved by Operator, Developer and, to the extent any lesser number of transient stalls are located in Garages G, U and Macy's Parking Area, Macy's.

MACY'S PARKING AREA:

The 188 stalls below Macy's store within the Macy Tract are managed and controlled solely by Macy's at its discretion and are not governed in any way by the POMA or this Exhibit D.

OFFICE PARKING:

Office employees may be accommodated with Monthly Permits for use in Garage K / Under 660J. SBH and team employees shall be permitted to park in Parking Area A or if their offices are located in 660J Street building, in Garage K / Under 660J.

Any changes to the foregoing program must be approved by the Operator and any new party as to any office tract as to the office employee parking, and by Arena Co as to the SBH and team employees.

VALET PROGRAM:

Valet parking may be provided at the J street entrance of the Hotel Building servicing the Hotel and Residence as well as office and retail guests. The designated valet drop-off/pick-up zones will be located along J Street at the Hotel/Residential lobby area between 5th and 6th streets as depicted on Exhibit D Parking Plan.

PARKING DEMAND:

Parking demand for the project is shown in the Parking Demand Study dated May 23, 2014 and attached hereto. Future build out parking requirements as contemplated in the COMA and in the areas as depicted on Exhibit B' shall be subject to Macy's approval of a revised Parking Demand Study for the entire expanded development area, conducted in a manner consistent with the analysis format illustrated on the attached Exhibit D Parking Demand Study. Specifically, Developer agrees that parking for the Retail / Arena Project shall be distributed as shown among the Garages as set forth on Exhibit D Parking Plan (or if required, in new parking structures

within the Future Development area to accommodate additional parking requirements not satisfied by the parking supply in the existing Garages) in the POMA. and that the parking requirements on the Retail / Arena Project for future development shall be calculated and determined based on the specific independent variables (square feet, rooms, seats, units) for each land use for each hour on a December Weekday and a December Weekend Day as detailed on Exhibit D–Parking Demand Study. Any parking for future development, when aggregated with existing parking within the Macy’s Tract, Developer Tract, Developer Adjacent Tract, City Tract and Arena Co. Tract, must meet municipal code and be scheduled to be completed and must be completely open and fully operational either prior to or simultaneously with the opening of additional improvements. Developer shall not apply to change the governmental parking requirements for future development without the consent of Macy’s.

EVENT PARKING:

It is anticipated that approximately 189 event days per year will take place in the Arena Co Building, with approximately 50 (including approximately 45 NBA games) events attracting over 15,000 guests on the property. The remaining events will typically attract between 3,000 and 10,000 guests. Additionally, approximately 7 days per year, off-site events will take place in Downtown Sacramento which also typically attract event-goers to the Retail Project. All such events will be subject to the retail parking protections for Event Periods.

Up to three hours prior to events and one hour thirty minutes after events (“Event Periods”), the parking entry system may be switched to a flat rate fee to accommodate event parking. Validations will be reduced to 1 and 1/2 HR (from 3HR per Macy’s and from 2HR for retail tenants) while the theater validations will remain at 4HR.

During Event Periods, levels P1 and P2 of Garage U and the Macy’s Parking Area will be prohibited from use by Event goers and serve as Protected Retail Stalls as depicted on the attached Exhibit D Parking Plan for the sole use of Macy’s, Retail and Theater customers only.

At such times when Event Periods occur on weekends between the dates of November 15 and January 15 of the following year, Operator shall institute programs to facilitate offsite employee parking and shall use its commercially reasonable efforts to ensure such offsite employee parking is achieved.

Up to 1,000 VIP stalls will be provided during NBA Events via a combination of 750 stalls in Garages K and Parking Area A (excluding the 268 Hotel and Residential stalls in P2 of Garage K). The remainder will be provided on the ground floor of Garage G. On Event days and during peak usage periods, project employees may be parked off-site if on-site parking demand warrants additional off-site parking. A shuttle service will be considered for those employees if the off-site parking is more than two (2) blocks from the site.

ACCESS/ACCOUNTABILITY CONTROLS:

Retail Customers (Short-Term Parking)

Access to the parking facilities during hours of operation shall be via automatic time stamping, ticket issuing equipment. Tickets issued to customers shall be the source document required to be surrendered upon exiting said parking facility. Free parking validation must be permanently imprinted upon the entry ticket by validating merchant prior to exiting the parking facility. Parking operations personnel are not authorized to validate patrons' entry tickets. Parking fees for hours of parking not validated are due upon exiting the facility.

Payment of fees over validated hours of parking shall be remitted in U.S. currency or U. S. bank checks subject to all local, state and federal laws governing their use and acceptance. Operator reserves the right to post currency denomination limits as defined by law.

Standard revenue and ticket control, accounting, and reconciliation procedures shall be administered, except as follows:

- Lost Ticket – Customer does not present or will not surrender entry ticket upon exiting the facility or failure to return ticket when requested through the evening inventory procedure.

Process Required: The lost ticket fee is charged to the patron. The lost ticket fee shall not exceed the daily maximum fee. If ticket is found within three days, a refund will be issued for the amount paid in excess of the fees due provided documentation required is presented.

Notice Requirements: (1) Attendant advises customer of fee at exit; refund request form is provided in case the ticket is later found. (2) Evening inventory instruction is placed on each vehicle upon closing of facility. Failure to following instruction is deemed a drive-out and failure to pay fee. Drive-out customers shall be billed via U.S. Mail for fees as an I.O.U. with associated service charges and late penalties.

- No Money/Not Enough Money For Fees – A customer does not have enough money, refuses to pay or protests charges.

Process Required: The attendant shall request such customers to complete I.O.U. forms obligating them for a fee. Refusal of customer to complete forms shall not excuse them from payment of fees; upon such refusal, attendant shall complete the I.O.U. form for the customer in order to account for the exit.

Notice Requirement: A copy of the I.O.U. shall be provided to customer explaining Service Charges and Penalty Fees for Nonpayment of Parking Fees at the time of Exit. A three-day grace period is provided to pay I.O.U.s with no additional penalty charges. Customers who refuse to pay shall receive a bill via U.S. Mail as described above as a drive-out.

- Intentional Damage to Control Equipment or Facility – Intentional damage, disabling or vandalism and defacing of the facility or control equipment shall be invoiced to the owner of the automobile causing said damage.

Process Required: Reports of the above-described acts by security, operations, maintenance personnel or the public shall be deemed cause for charges being invoiced to owner of vehicle as reported.

Notice Requirement: A letter shall be sent to the registered vehicle owner causing damage. Charges for repair shall be itemized and paid by Operator invoice. Repeated acts or criminal acts shall be referred to City Police Department for appropriate action.

- Evening Inventory Procedure – All vehicles parked after parking attendants go off duty shall be inventoried for accountability in the collection of fees to be paid according to instructions placed on the windshield of said vehicles.

Process Required: License plates of vehicles left on the facility at closing shall be recorded.

Notice Requirement: A night deposit envelope with instructions for payment and deposit shall be issued to each parked vehicle. Failure to follow instructions shall result in the I.O.U. process described above, including additional fee assessments.

- After-Hours Exiting/Opening Fee – The fee is associated with cost to open a secure facility to allow the exiting of late patrons.

Process Required: Upon receiving a request to release customers vehicle after posted hours, night supervisor will meet customer, verify identification, accept release payment, issue receipt, open the facility to release the vehicle and then resecure the facility. Vehicle will not be released without identification and payment of parking fees due. Parking fees shall not continue to accrue after Garage security personnel or a Garage attendant is notified of a vehicle problem that may necessitate an after-hours exit or the vehicle remaining in the Garage until towing can be arranged.

Notice Requirements: Entries shall be posted with closure times, if applicable. All Garage exits shall have signage indicating a 24-hour call out number with the associated fee for the service and informing parkers with car troubles to notify Garage security or a Garage attendant in order to prevent parking fees from continuing to accrue. The fee for such service shall be set by Operator and shall at all times be a reasonable sum in relation to the service performed and shall not be utilized as a form of penalty or fine.

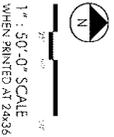
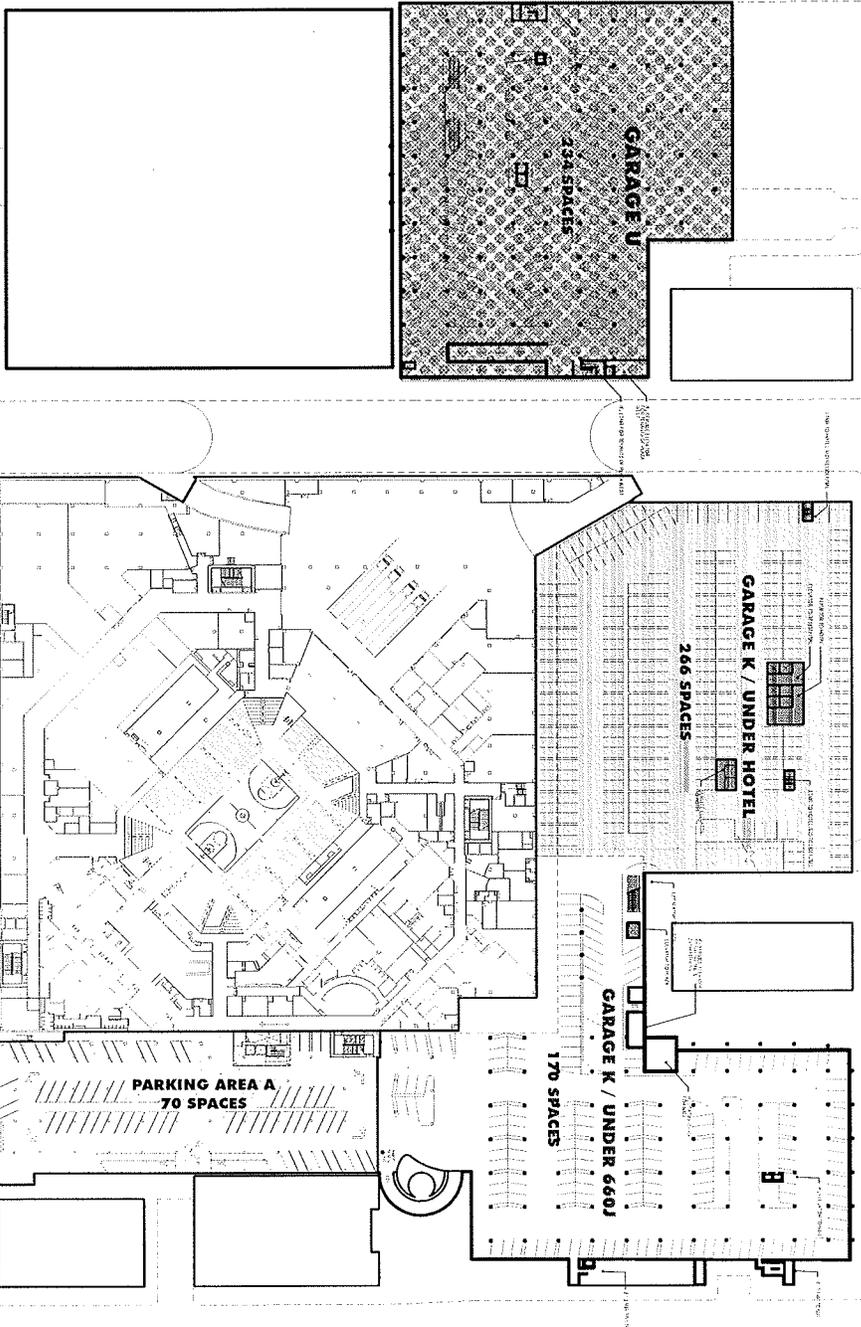
PARKING PLAN TO PARKING OPERATION PLAN EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL PARKING COUNTS P-2		2,410 SPACES
TOTAL SPACES ON P-2		2,410 SPACES
TOTAL OVERALL		
PROJECT PARKING	2,748 SPACES (INCLUDES MACTS)	
ON THIS LEVEL		
PARKING AREA A	70 SPACES	140 SPACES
GARAGE K / UNDER HOTEL	266 SPACES	510 SPACES
GARAGE K / UNDER 660J	170 SPACES	340 SPACES
GARAGE U	232 SPACES	464 SPACES
MACT'S PARKING	0 SPACES	188 SPACES
GARAGE G (SHOWN ON PAGE 2)		
LEVEL 1 (GROUND)	158 SPACES	
LEVEL 2 (SECOND)	234 SPACES	
LEVEL 3 (THIRD)	234 SPACES	
LEVEL 4 (FOURTH)	234 SPACES	
LEVEL 5 (FIFTH)	234 SPACES	
LEVEL 6 (ROOF)	228 SPACES	1,200 SPACES (APPROX)

LEGEND

[Symbol]	HOTEL / RESIDENTIAL STATUS
[Symbol]	3PM STATUS
[Symbol]	PROTECTED KERAL STATUS
[Symbol]	HOLIDAY BAN STATUS
[Symbol]	OFFICE PARKING RESTRICTED



1" = 30'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

PARKING LEVEL 02 (P-2)

PARKING PLAN TO PARKING OPERATION PLAN EXHIBIT B

PROJECT OVERVIEW

TOTAL OVERALL PARKING COUNTS G- GARAGE

TOTAL SPACES IN G 1,320 SPACES (APPROX.)

TOTAL OVERALL 2936 SPACES
PROJECT PARKING 2748 SPACES

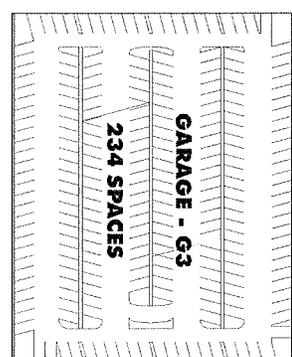
PARKING AREA	ON THIS LEVEL	TOTAL
GARAGE G-1 (UNDER HOTEL)	0 SPACES	170 SPACES
GARAGE G-2 (UNDER HOTEL)	0 SPACES	327 SPACES
GARAGE G-3 (UNDER RFD 7)	0 SPACES	303 SPACES
GARAGE G-4	0 SPACES	434 SPACES
GARAGE G-5	0 SPACES	188 SPACES
ARCH'D PARKING	0 SPACES	188 SPACES

GARAGE G

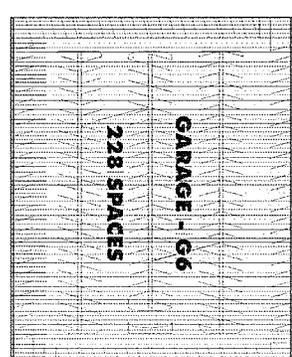
AREA 1 (GROUND)	154 SPACES	1,320 SPACES (APPROX.)
AREA 2 (SECOND)	234 SPACES	
AREA 3 (THIRD)	234 SPACES	
AREA 4 (FOURTH)	234 SPACES	
AREA 5 (FIFTH)	234 SPACES	
AREA 6 (ROOF)	228 SPACES	

LEGEND

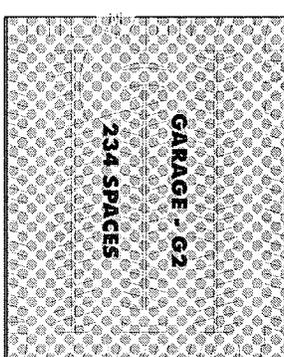
- HOTEL / RESIDENTIAL STAIRS
- 35M STAIRS
- PROTECTED REAR STAIRS
- HOLIDAY REAR STAIRS
- OFFICE PARKING RESTRICTION



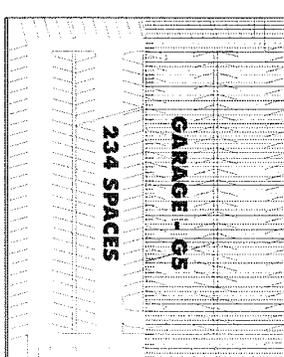
G-3 THIRD LEVEL G LOT PARKING



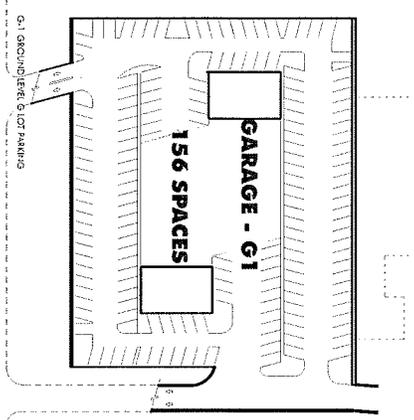
G-6 ROOF LEVEL G LOT PARKING



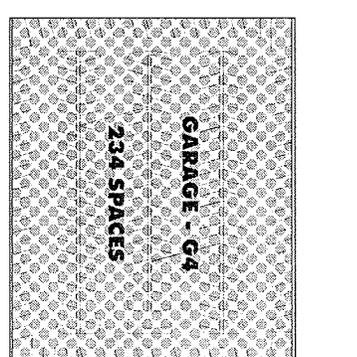
G-2 SECOND LEVEL G LOT PARKING



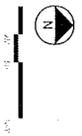
G-5 FIFTH LEVEL G LOT PARKING



G-1 GROUND LEVEL G LOT PARKING



G-4 FOURTH LEVEL G LOT PARKING



1" = 50'-0" SCALE
WHEN PRINTED AT 24x36 FORMAT

PARKING STRUCTURE G

4CAPITOL GREENS | SACRAMENTO DOWNTOWN ARENA - PARKING EXHIBIT D | JULY 02, 2014

POMA EXHIBIT D PARKING DEMAND STUDY

Table:
 Project: Sacramento Entertainment and Sports Center (5.23.14 version)
 Description: Full Parking Demand per UL-LITE, Mode & Noncaptive Adjustments with ESC

5/23/2014

Projected Parking Supply:	Monthly Adj:	December																								Overall Pk. 1 PM	AM Peak Hr 11 AM	PM Peak Hr 1 PM	Eve Peak Hr 6 PM										
		Weekday Estimated Peak-Hour Parking Demand												Weekend Estimated Peak-Hour Parking Demand																									
		6 AM	7 AM	8 AM	9 AM	10 AM	11 AM	12 PM	1 PM	2 PM	3 PM	4 PM	5 PM	6 PM	7 PM	8 PM	9 PM	10 PM	11 PM	12 AM	6 AM	7 AM	8 AM	9 AM	10 AM					11 AM	12 AM								
Regional Shopping Center (400 to 600 ksf) 440 500 st	100%	11	53	158	317	581	792	951	1,056	1,056	1,003	898	892	835	725	557	334	111	-	1,056	11	53	158	317	581	792	951	1,056	1,056	1,003	898	892	835	725	557	334	111	-	1,056
Employee	100%	28	43	114	214	443	271	285	285	285	285	271	271	271	257	214	114	43	-	285	28	43	114	214	443	271	285	285	285	285	271	271	257	214	114	43	-	285	
Family Restaurant	100%	118	237	284	355	403	426	474	426	213	213	355	337	337	337	253	232	211	105	426	118	237	284	355	403	426	474	426	426	426	403	337	337	253	232	211	105	-	426
Employee	100%	44	66	73	79	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	44	66	73	79	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88
Employee/Weekend	23%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Employee	50%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health Club	80%	122	89	69	122	122	122	139	104	122	122	122	122	122	122	122	122	122	122	122	122	89	69	122	122	122	122	122	122	122	122	122	122	122	122	122	122	122	
Employee	100%	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	
Hotel/Business	33%	132	123	114	114	114	114	114	114	114	114	114	114	114	114	114	114	114	114	114	132	123	114	114	114	114	114	114	114	114	114	114	114	114	114	114	114	114	114
Residential Rental Shared Spaces	100%	3	16	24	23	21	20	19	20	20	20	21	21	24	25	28	28	28	28	28	3	16	24	23	21	20	19	20	20	20	21	21	24	25	28	28	28	28	28
Employee	100%	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	
Residential	100%	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Guest	100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Office 25 to 100 ksf	100%	7	71	178	225	237	237	213	213	213	213	213	213	213	213	213	213	213	213	213	7	71	178	225	237	237	213	213	213	213	213	213	213	213	213	213	213	213	213
Employee	100%	383	485	628	904	1,210	1,451	1,626	1,728	1,562	1,560	1,560	1,560	1,550	1,441	1,175	855	549	288	1,626	383	485	628	904	1,210	1,451	1,626	1,728	1,560	1,560	1,560	1,550	1,441	1,175	855	549	288	1,626	
Customer	100%	126	236	456	602	655	682	676	676	652	654	562	495	418	346	228	147	68	68	676	126	236	456	602	655	682	676	676	652	654	562	495	418	346	228	147	68	68	676
Employee	100%	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	
Residential	100%	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	
Guest	100%	780	1,143	1,565	1,924	2,192	2,381	2,465	2,465	2,271	2,208	2,181	2,182	2,053	1,918	1,580	1,142	755	415	2,465	780	1,143	1,565	1,924	2,192	2,381	2,465	2,465	2,271	2,208	2,181	2,182	2,053	1,918	1,580	1,142	755	415	2,465
TOTAL DEMAND		568	780	1,143	1,565	1,924	2,192	2,381	2,465	2,271	2,208	2,181	2,182	2,053	1,918	1,580	1,142	755	415	2,465	568	780	1,143	1,565	1,924	2,192	2,381	2,465	2,271	2,208	2,181	2,182	2,053	1,918	1,580	1,142	755	415	2,465

Projected Parking Supply:	Monthly Adj:	December																								Overall Pk. 1 PM	AM Peak Hr 11 AM	PM Peak Hr 1 PM	Eve Peak Hr 6 PM										
		Weekday Estimated Peak-Hour Parking Demand												Weekend Estimated Peak-Hour Parking Demand																									
		6 AM	7 AM	8 AM	9 AM	10 AM	11 AM	12 PM	1 PM	2 PM	3 PM	4 PM	5 PM	6 PM	7 PM	8 PM	9 PM	10 PM	11 PM	12 AM	6 AM	7 AM	8 AM	9 AM	10 AM					11 AM	12 AM								
Regional Shopping Center (400 to 600 ksf) 440 500 st	100%	13	65	130	456	782	913	1,108	1,239	1,304	1,239	1,174	1,098	1,030	892	686	480	206	-	1,239	13	65	130	456	782	913	1,108	1,239	1,304	1,239	1,174	1,098	1,030	892	686	480	206	-	1,239
Employee	100%	34	51	137	257	282	326	343	343	343	343	326	292	274	257	223	154	51	-	343	34	51	137	257	282	326	343	343	343	343	326	292	274	257	223	154	51	-	343
Family Restaurant	100%	75	187	337	524	673	673	748	636	486	289	337	449	413	384	177	148	89	59	636	75	187	337	524	673	673	748	636	486	289	337	449	413	384	177	148	89	59	636
Employee	100%	89	104	123	135	139	139	139	139	139	139	139	139	139	139	139	139	139	139	139	89	104	123	135	139	139	139	139	139	139	139	139	139	139	139	139	139	139	139
Employee/Weekend	67%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Employee	80%	141	79	62	88	62	88	89	53	40	13	13	17	17	17	17	17	17	17	17	141	79	62	88	62	88	89	53	40	13	13	17	17	17	17	17	17	17	17
Health Club	90%	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	
Hotel/Business	23%	123	119	105	92	82	79	72	72	72	72	72	72	72	72	72	72	72	72	72	123	119	105	92	82	79	72	72	72	72	72	72	72	72	72	72	72	72	72
Residential Rental Shared Spaces	100%	2	12	35	35	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	2	12	35	35	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Employee	100%	29	26	24	23	21	20	19	20	20	20	21	21	24	25	28	28	28	28	28	29	26	24	23	21	20	19	20	20	20	21	21	24	25	28	28	28	28	28
Residential	100%	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	
Guest	100%	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Office 25 to 100 ksf	100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Employee	100%	354	452	637	1,164	1,600	1,757	2,099	2,159	1,928	1,951	2,101	2,012	1,947	1,795	1,348	1,109	712	388	2,159	354	452	637	1,164	1,600	1,757	2,099	2,159	1,928	1,951	2,101	2,012	1,947	1,795	1,348	1,109	712	388	2,159
Customer	100%	140	204	342	467	520	556	578	578	552	530	543	503	481	461	402	310	202	99	578	140	204	342	467	520	556	578	578	552	530	543	503	481	461	402	310	202	99	578
Employee	100%	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	
Residential	100%	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	53	
Guest	100%	715	1,038	1,690	2,179	2,372	2,786	2,786	2,786	2,522	2,540	2,703	2,574	2,487	2,315	1,810	1,478	973	526	2,786	715	1,038	1,690	2,179	2,372	2,786	2,786	2,786	2,522	2,540	2,703	2,574	2,487	2,315	1,				

SCHEDULE 1 to
POMA EXHIBIT D PARKING OPERATION DESCRIPTION

Downtown Plaza West Garage (3rd & L)

Rates

\$1.25 each half hour for first two hours

\$1.50 each additional half hour

\$15.00 daily maximum charge

Monthly Rate

\$135.00

Carpool

\$101.25

\$6 Early Bird Rate (In by 10:00 a.m., out after 4:30 p.m.)

The Early Bird Rate is available Monday through Friday at Downtown Plaza West Garage. Entrances are located at 3rd & L Streets or off 3rd Street near the Holiday Inn. Commuters must be "IN" by 10:00 a.m. and "OUT" after 4:30 p.m. for the rate of \$6 all day (until midnight). The availability of the Early Bird offer is subject to change at any time and does not apply to overnight parking or on days or hours when the Downtown Plaza West Garage accommodates special event parking. The Early Bird signage will be removed from the entrance on the days when the offer is not available. No discounts, coupons or validations are accepted with this rate.

Height Clearance is 6' 9"

Downtown Plaza Central Garage (5th & J)

Rates

\$1.25 each half hour for first two hours

\$1.50 each additional half hour

\$15.00 maximum charge

Height Clearance is 8' 2"

Downtown Plaza East Garage (6th & L, 6th & J, 7th & K)

Rates

\$1.25 each half hour for first two hours

\$1.50 each additional half hour

\$15.00 daily maximum charge

Monthly Rate

\$145.00

Carpool

\$108.75

\$8 Early Bird Rate (In by 10:00 a.m., out after 4:30 p.m.)

The Early Bird Rate is available Monday through Friday at Downtown Plaza East Garage. Entrances are located at 6th & J Streets, 6th & Capitol Mall and 7th & K Streets. Commuters must be "IN" by 9:30 a.m. and "OUT" after 4:30 p.m. for the rate of \$8 all day (until midnight). The availability of the Early Bird offer is subject to change at any time and does not apply to overnight parking or on days or hours when the Downtown Plaza East Garage accommodates special event parking. The Early Bird signage will be removed from the entrance on the days when the offer is not available. No discounts, coupons or validations are accepted with this rate.

Height Clearance is 6' 4"

3 Hour Parking Validation available with minimum \$1 purchase from participating retailers.